

DEPARTMENT OF EDUCATION

OFFICE OF ELEMENTARY AND SECONDARY EDUCATION

Federal Funds

[EDUCATION FOR THE DISADVANTAGED] ACCELERATING ACHIEVEMENT AND ENSURING EQUITY

For carrying out title I of the Elementary and Secondary Education Act of 1965 (referred to in this Act as "ESEA") and section 418A of the Higher Education Act of 1965 (referred to in this Act as "HEA"), \$15,552,693,000, of which \$4,625,762,000 shall become available on July 1, 2014, and shall remain available through September 30, 2015, and of which \$10,841,177,000 shall become available on October 1, 2014, and shall remain available through September 30, 2015, for academic year 2014–2015: *Provided*, That \$6,459,401,000 shall be for basic grants under section 1124 of the ESEA: *Provided further*, That up to \$3,984,000 of these funds shall be available to the Secretary of Education (referred to in this title as "Secretary") on October 1, 2013, to obtain annually updated local educational agency-level census poverty data from the Bureau of the Census: *Provided further*, That \$1,362,301,000 shall be for concentration grants under section 1124A of the ESEA: *Provided further*, That \$3,281,550,000 shall be for targeted grants under section 1125 of the ESEA: *Provided further*, That \$3,281,550,000 shall be for education finance incentive grants under section 1125A of the ESEA: *Provided further*, That funds available under sections 1124, 1124A, 1125 and 1125A of the ESEA may be used to provide homeless children and youths with services not ordinarily provided to other students under those sections, including supporting the liaison designated pursuant to section 722(g)(1)(J)(ii) of the McKinney-Vento Homeless Assistance Act, and providing transportation pursuant to section 722(g)(1)(J)(iii) of such Act: *Provided further*, That \$880,000 shall be to carry out sections 1501 and 1503 of the ESEA: *Provided further*, That \$505,756,000 shall be available for school improvement grants under section 1003(g) of the ESEA, which shall be allocated by the Secretary through the formula described in section 1003(g)(2) and shall be used consistent with the requirements of section 1003(g), except that State and local educational agencies may use such funds to serve any school eligible to receive assistance under part A of title I that has not made adequate yearly progress for at least 2 years or is in the State's lowest quintile of performance based on proficiency rates and, in the case of secondary schools, priority shall be given to those schools with graduation rates below 60 percent: *Provided further*, That notwithstanding section 1003(g)(5)(C) of the ESEA, the Secretary may permit a State educational agency to establish an award period of up to 5 years for each participating local educational agency: *Provided further*, That funds available for school improvement grants may be used by a local educational agency to implement a whole-school reform strategy for a school using an evidence-based strategy that ensures whole-school reform is undertaken in partnership with a strategy developer offering a whole-school reform program that is based on at least a moderate level of evidence that the program will have a statistically significant effect on student outcomes, including more than one well-designed or well-implemented experimental or quasi-experimental study: *Provided further*, That funds available for school improvement grants may be used by a local educational agency to implement an alternative State-determined school improvement strategy that has been established by a State educational agency with the approval of the Secretary: *Provided further*, That a local educational agency that is determined to be eligible for services under subpart 1 or 2 of part B of title VI of the ESEA may modify not more than one element of a school improvement grant model: *Provided further*, That notwithstanding section 1003(g)(5)(A), each State educational agency may establish a maximum subgrant size of not more than \$2,000,000 for each participating school applicable to such funds: *Provided further*, That the Secretary may reserve up to 5 percent of the funds available for section 1003(g) of the ESEA to carry out activities to build State and local educational agency capacity to implement effectively the school improvement grants program: *Provided further*, That \$158,000,000 shall be available under section 1502 of the ESEA for a comprehensive literacy development and education program to advance literacy skills, including pre-literacy skills, reading, and writing, for students from birth through grade 12, including limited-English-proficient students and students with disabilities,

of which one-half of 1 percent shall be reserved for the Secretary of the Interior for such a program at schools funded by the Bureau of Indian Education, one-half of 1 percent shall be reserved for grants to the outlying areas for such a program, up to 5 percent may be reserved for national activities, and the remainder shall be used to award competitive grants to State educational agencies for such a program, of which a State educational agency may reserve up to 5 percent for State leadership activities, including technical assistance and training, data collection, reporting, and administration, and shall subgrant not less than 95 percent to local educational agencies or, in the case of early literacy, to local educational agencies or other nonprofit providers of early childhood education that partner with a public or private nonprofit organization or agency with a demonstrated record of effectiveness in improving the early literacy development of children from birth through kindergarten entry and in providing professional development in early literacy, giving priority to such agencies or other entities serving greater numbers or percentages of disadvantaged children: *Provided further*, That the State educational agency shall ensure that at least 15 percent of the subgranted funds are used to serve children from birth through age 5, 40 percent are used to serve students in kindergarten through grade 5, and 40 percent are used to serve students in middle and high school including an equitable distribution of funds between middle and high schools: *Provided further*, That eligible entities receiving subgrants from State educational agencies shall use such funds for services and activities that have the characteristics of effective literacy instruction through professional development, screening and assessment, targeted interventions for students reading below grade level and other research-based methods of improving classroom instruction and practice. (Department of Education Appropriations Act, 2014.)

Program and Financing (in millions of dollars)

Identification code 91–0900–0–1–501	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0001 Grants to local educational agencies	13,757	14,395	10,841
0002 School improvement grants	533	506	.....
0003 Striving readers	151	158	.....
0004 State agency programs	422	429	.....
0005 Evaluation	3	1	.....
0006 Special programs for migrant students	35	35	.....
0007 High school graduation initiative	46	46	.....
0900 Total new obligations	14,947	15,570	10,841
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	549	524	507
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	4,901	4,712	.....
1130 Appropriations permanently reduced	–256	.....	.....
1160 Appropriation, discretionary (total)	4,645	4,712	.....
Advance appropriations, discretionary:			
1170 Advance appropriation	10,841	10,841	10,841
1173 Advance appropriations permanently reduced	–564	.....	.....
1180 Advanced appropriation, discretionary (total)	10,277	10,841	10,841
1900 Budget authority (total)	14,922	15,553	10,841
1930 Total budgetary resources available	15,471	16,077	11,348
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	524	507	507
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	11,373	9,463	8,161
3010 Obligations incurred, unexpired accounts	14,947	15,570	10,841
3020 Outlays (gross)	–16,795	–16,872	–15,488
3041 Recoveries of prior year unpaid obligations, expired	–62	.....	.....
3050 Unpaid obligations, end of year	9,463	8,161	3,514
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	11,373	9,463	8,161
3200 Obligated balance, end of year	9,463	8,161	3,514
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	14,922	15,553	10,841

ACCELERATING ACHIEVEMENT AND ENSURING EQUITY—Continued
Program and Financing—Continued

Identification code 91–0900–0–1–501	2013 actual	2014 est.	2015 est.
Outlays, gross:			
4010 Outlays from new discretionary authority	7,585	8,550	8,456
4011 Outlays from discretionary balances	9,210	8,322	7,032
4020 Outlays, gross (total)	16,795	16,872	15,488
4180 Budget authority, net (total)	14,922	15,553	10,841
4190 Outlays, net (total)	16,795	16,872	15,488
Summary of Budget Authority and Outlays (in millions of dollars)			
	2013 actual	2014 est.	2015 est.
Enacted/requested:			
Budget Authority	14,922	15,553	10,841
Outlays	16,795	16,872	15,488
Legislative proposal, not subject to PAYGO:			
Budget Authority			3,696
Outlays			74
Total:			
Budget Authority	14,922	15,553	14,537
Outlays	16,795	16,872	15,562

SUMMARY OF PROGRAM LEVEL

(in millions of dollars)

	2013–2014 Academic Year	2014–2015 Academic Year	2015–2016 Academic Year
New Budget Authority	\$4,645	\$4,712	\$3,696
Advance appropriation	10,841	10,841	11,682
Total program level	15,486	15,553	15,684
Change in advance appropriation from the previous year	0	0	+841 ¹

¹To account for the Administration's ESEA reauthorization proposal, the 2015 Budget eliminates the \$1.7 billion advance appropriation that was previously in the Education Improvement Programs account and replaces it with corresponding increases to advance appropriations in the Accelerating Achievement and Ensuring Equity account (\$841 million) and the Special Education account (\$841 million). Total advance appropriations in the Department of Education remain \$22.6 billion.

The Administration is proposing legislation reauthorizing programs included in the Elementary and Secondary Education Act (ESEA), including programs in this account. Consistent with this reauthorization proposal, the Budget proposes to realign programs in ESEA accounts. When new authorizing legislation is enacted, resources will be requested for these programs. See the "Legislative proposal, not subject to PAYGO" schedule for additional details.

Object Classification (in millions of dollars)

Identification code 91–0900–0–1–501	2013 actual	2014 est.	2015 est.
Direct obligations:			
25.1 Advisory and assistance services	5	4	4
25.2 Other services from non-Federal sources	23	18	16
41.0 Grants, subsidies, and contributions	14,919	15,548	10,821
99.9 Total new obligations	14,947	15,570	10,841

ACCELERATING ACHIEVEMENT AND ENSURING EQUITY

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91–0900–2–1–501	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0001 College- and career-ready students			2,703
0002 School turnaround grants			506
0003 State agency programs			422
0004 Homeless children and youth education			65
0900 Total new obligations			3,696

Budgetary Resources:

Budget authority:			
Appropriations, discretionary:			
1100 Appropriation			3,696
1160 Appropriation, discretionary (total)			3,696
1900 Budget authority (total)			3,696
1930 Total budgetary resources available			3,696

Change in obligated balance:

Unpaid obligations:			
3010 Obligations incurred, unexpired accounts			3,696
3020 Outlays (gross)			–74
3050 Unpaid obligations, end of year			3,622
Memorandum (non-add) entries:			
3200 Obligated balance, end of year			3,622

Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross			3,696
Outlays, gross:			
4010 Outlays from new discretionary authority			74
4180 Budget authority, net (total)			3,696
4190 Outlays, net (total)			74

The resources in this schedule are proposed for later transmittal under proposed legislation to reauthorize the Elementary and Secondary Education Act of 1965.

College- and career-ready students (formerly Grants to local educational agencies).—Funds would be allocated via formula for programs that provide academic support to help students in high-poverty schools meet college- and career-ready standards. States would assess annually all students in certain grades in at least English language arts and mathematics, and use the results of these assessments to measure local educational agency (LEA) and school progress in ensuring that all students are meeting, or are on track to meet college- and career-ready standards; to inform families about whether their children are meeting or are on track to meet such standards; and to develop appropriate improvement and support strategies for schools and LEAs. States would establish systems for differentiating among schools and LEAs on the basis of performance, including recognition and rewards for highly effective schools and LEAs, the implementation of rigorous school intervention models in the lowest-achieving schools, and State-approved, research-based interventions in low-performing schools that are not serving their students well.

School turnaround grants.—Funds would primarily support formula grants to States to help LEAs turn around their lowest-achieving schools by implementing rigorous school intervention models. In general, such schools would rank in the bottom five percent of performance in their States based on proficiency rates and lack of progress or, in the case of high schools, have a graduation rate below 60 percent. Once States have served their lowest-achieving schools, funds could be used for other school improvement and support efforts in eligible schools.

State agency migrant program.—Funds would support formula grants to States for educational services to children of migratory farmworkers and fishers, with resources and services focused on children who have moved within the past 36 months.

State agency neglected and delinquent children and youth education program.—Funds would support formula grants to States for educational services to neglected or delinquent children and youth in State-run institutions, attending community day programs, and in other correctional facilities.

Homeless children and youth education.—Funds would support formula grants to States to provide educational and support services that enable homeless children and youth to attend and achieve success in school.

Object Classification (in millions of dollars)

Identification code 91–0900–2–1–501	2013 actual	2014 est.	2015 est.
Direct obligations:			
25.1 Advisory and assistance services			4
25.2 Other services from non-Federal sources			16
41.0 Grants, subsidies, and contributions			3,676
99.9 Total new obligations			3,696

SCHOOL READINESS

For carrying out, in accordance with the applicable requirements of part D of title V of the Elementary and Secondary Education Act of 1965, \$500,000,000, for obligation through December 31, 2015, for a preschool development grants program: Provided, That the Secretary shall use all funds made available under this heading to make competitive awards to States, local education agencies, or local governmental entities (as determined by the Secretary) for activities that build the capacity within the State to develop, enhance, or expand high-quality preschool programs, including comprehensive services and family engagement, for preschool-aged children from families at or below 200 percent of the Federal poverty line: Provided further, That the Secretary may permit or require States, local education agencies, or local governmental entities to subgrant a portion of grant funds to local educational agencies or other early learning providers (including, but not limited to, Head Start programs and licensed child care providers), or consortia thereof, for the implementation of high-quality preschool programs for children from families at or below 200 percent of the Federal poverty line: Provided further, That subgrantees that are local educational agencies shall form strong partnerships with early learning providers and that subgrantees that are early learning providers shall form strong partnerships with local educational agencies, in order to carry out the requirements of the subgrant: Provided further, That, notwithstanding the second proviso, up to 3 percent of such funds for preschool development grants shall be available for technical assistance, evaluation, and other national activities related to such grants.

Program and Financing (in millions of dollars)

Identification code 91–0015–0–1–501	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0001 Preschool development grants			500
0900 Total new obligations (object class 41.0)			500
Budgetary Resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation			500
1160 Appropriation, discretionary (total)			500
1930 Total budgetary resources available			500
Change in obligated balance:			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts			500
3020 Outlays (gross)			–25
3050 Unpaid obligations, end of year			475
Memorandum (non-add) entries:			
3200 Obligated balance, end of year			475
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross			500
Outlays, gross:			
4010 Outlays from new discretionary authority			25
4180 Budget authority, net (total)			500
4190 Outlays, net (total)			25

Summary of Budget Authority and Outlays (in millions of dollars)

	2013 actual	2014 est.	2015 est.
Enacted/requested:			
Budget Authority			500
Outlays			25

Legislative proposal, subject to PAYGO:

Budget Authority	1,300
Outlays	130
Total:	
Budget Authority	1,800
Outlays	155

Preschool development grants.—Funds would support grants to develop, enhance, or expand high-quality preschool programs. The Department would provide competitive grants to States, local education agencies, or local governmental entities to ensure that every State willing to commit to expanding preschool access has the systems and supports, as well as model local programs, needed to implement high-quality preschool for four-year-old children.

SCHOOL READINESS

(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91–0015–4–1–501	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0001 Preschool for all			1,300
0900 Total new obligations (object class 41.0)			1,300
Budgetary Resources:			
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation			1,300
1260 Appropriations, mandatory (total)			1,300
1930 Total budgetary resources available			1,300
Change in obligated balance:			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts			1,300
3020 Outlays (gross)			–130
3050 Unpaid obligations, end of year			1,170
Memorandum (non-add) entries:			
3200 Obligated balance, end of year			1,170
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross			1,300
Outlays, gross:			
4100 Outlays from new mandatory authority			130
4180 Budget authority, net (total)			1,300
4190 Outlays, net (total)			130

Preschool for all.—Funds would support grants to States for the implementation of high-quality preschool programs that are aligned with elementary and secondary education systems. The Department would share costs with States to provide universal access to high-quality preschool for children from low and moderate income families and provide incentives for States to serve additional children from middle-class families.

IMPACT AID

For carrying out programs of financial assistance to federally affected schools authorized by title VIII of the ESEA, \$1,288,603,000, of which \$1,151,233,000 shall be for basic support payments under section 8003(b), \$48,316,000 shall be for payments for children with disabilities under section 8003(d), \$17,406,000 shall be for construction under section 8007(a), \$66,813,000 shall be for Federal property payments under section 8002, and \$4,835,000, to remain available until expended, shall be for facilities maintenance under section 8008: *Provided*, That for purposes of computing the amount of a payment for an eligible local educational agency under section 8003(a) for school year 2013–2014, children enrolled in a school of such agency that would otherwise be eligible for payment under section 8003(a)(1)(B) of such Act, but due to the deployment of both parents or legal guardians, or a parent or legal guardian having

IMPACT AID—Continued

sole custody of such children, or due to the death of a military parent or legal guardian while on active duty (so long as such children reside on Federal property as described in section 8003(a)(1)(B)), are no longer eligible under such section, shall be considered as eligible students under such section, provided such students remain in average daily attendance at a school in the same local educational agency they attended prior to their change in eligibility status.] (*Department of Education Appropriations Act, 2014.*)

Program and Financing (in millions of dollars)

Identification code 91-0102-0-1-501	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0001 Basic support payments	1,093	1,152	.....
0002 Payments for children with disabilities	46	48	.....
0091 Direct program activities, subtotal	1,139	1,200	.....
0101 Facilities maintenance	3	5	.....
0201 Construction	33	17	.....
0301 Payments for Federal property	63	67	.....
0900 Total new obligations (object class 41.0)	1,238	1,289	.....
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	19	4	4
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	1,291	1,289	.....
1130 Appropriations permanently reduced	-68	.....	.....
1160 Appropriation, discretionary (total)	1,223	1,289	.....
1930 Total budgetary resources available	1,242	1,293	4
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	4	4	4
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	455	347	253
3010 Obligations incurred, unexpired accounts	1,238	1,289	.....
3011 Obligations incurred, expired accounts	447	.....	.....
3020 Outlays (gross)	-1,342	-1,383	-138
3041 Recoveries of prior year unpaid obligations, expired	-451	.....	.....
3050 Unpaid obligations, end of year	347	253	115
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	455	347	253
3200 Obligated balance, end of year	347	253	115
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	1,223	1,289	.....
Outlays, gross:			
4010 Outlays from new discretionary authority	1,092	1,142	.....
4011 Outlays from discretionary balances	250	241	138
4020 Outlays, gross (total)	1,342	1,383	138
4180 Budget authority, net (total)	1,223	1,289	.....
4190 Outlays, net (total)	1,342	1,383	138

Summary of Budget Authority and Outlays (in millions of dollars)

	2013 actual	2014 est.	2015 est.
Enacted/requested:			
Budget Authority	1,223	1,289	.....
Outlays	1,342	1,383	138
Legislative proposal, not subject to PAYGO:			
Budget Authority .....	.....	.....	1,221
Outlays .....	.....	.....	1,081
Total:			
Budget Authority	1,223	1,289	1,221
Outlays	1,342	1,383	1,219

The Administration is proposing legislation reauthorizing the Elementary and Secondary Education Act (ESEA), including programs in this account. Consistent with this reauthorization proposal, the Budget proposes to realign programs in ESEA accounts. When new authorizing legislation is enacted, resources

will be requested for these programs. See the "Legislative proposal, not subject to PAYGO" schedule for additional details.

IMPACT AID

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91-0102-2-1-501	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0001 Basic support payments	1,151
0002 Payments for children with disabilities	48
0091 Direct program activities, subtotal	1,199
0101 Facilities maintenance	5
0201 Construction	17
0900 Total new obligations (object class 41.0)	1,221
Budgetary Resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	1,221
1160 Appropriation, discretionary (total)	1,221
1930 Total budgetary resources available	1,221
Change in obligated balance:			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts	1,221
3020 Outlays (gross)	-1,081
3050 Unpaid obligations, end of year	140
Memorandum (non-add) entries:			
3200 Obligated balance, end of year	140
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	1,221
Outlays, gross:			
4010 Outlays from new discretionary authority	1,081
4180 Budget authority, net (total)	1,221
4190 Outlays, net (total)	1,081

The resources in this schedule are proposed for later transmittal under proposed legislation to reauthorize the Elementary and Secondary Education Act of 1965.

Impact Aid helps to replace the lost local revenue that would otherwise be available to educate federally connected children. The presence of certain students living on Federal property, such as students who are military dependents or who reside on Indian lands, can place a financial burden on local educational agencies (LEAs) that educate them. The property on which the children live and their parents work is exempt from local property taxes, denying local educational agencies access to the primary source of revenue used by most communities to finance education.

Basic support payments.—Payments will be made on behalf of approximately 930,000 federally connected students enrolled in about 1,150 LEAs to assist them in meeting their operation and maintenance costs. Average per-student payments will be approximately \$1,200.

Payments for children with disabilities.—Payments in addition to those provided under the Individuals with Disabilities Education Act (IDEA) will be provided on behalf of approximately 55,000 federally connected students with disabilities in about 900 LEAs. Average per-student payments will be approximately \$900.

Facilities maintenance.—Funds will be used to provide emergency repairs for school facilities that serve military dependents and are owned by the Department of Education. Funds will also be used to transfer the facilities to LEAs.

Construction.—Approximately 8–12 construction grants will be awarded competitively to the highest-need Impact Aid LEAs for emergency repairs and modernization of school facilities.

【SCHOOL IMPROVEMENT PROGRAMS】 EDUCATION IMPROVEMENT PROGRAMS

For carrying out school improvement activities authorized by [parts A and B of title II, part B of title IV, parts A and B of title VI, and parts B and C of title VII of the ESEA; the McKinney-Vento Homeless Assistance Act;] section 203 of the Educational Technical Assistance Act of 2002; the Compact of Free Association Amendments Act of 2003; and the Civil Rights Act of 1964, 【\$4,397,391,000】 \$71,742,000, of which 【\$2,580,358,000 shall become available on July 1, 2014, and remain available through September 30, 2015, and of which \$1,681,441,000 shall become available on October 1, 2014, and shall remain available through September 30, 2015, for academic year 2014–2015: *Provided*, That funds made available to carry out part B of title VII of the ESEA may be used for construction, renovation, and modernization of any elementary school, secondary school, or structure related to an elementary school or secondary school, run by the Department of Education of the State of Hawaii, that serves a predominantly Native Hawaiian student body: *Provided further*, That funds made available to carry out part C of title VII of the ESEA shall be awarded on a competitive basis, and also may be used for construction: *Provided further*, That 【\$48,445,000 shall be available to carry out section 203 of the Educational Technical Assistance Act of 2002: *Provided*【further】], That \$16,699,000 shall be available to carry out the Supplemental Education Grants program for the Federated States of Micronesia and the Republic of the Marshall Islands: *Provided further*, That the *Secretary of Education may reserve up to 5 percent of the amount referred to in the previous proviso* 【may be reserved by the Federated States of Micronesia and the Republic of the Marshall Islands to administer the Supplemental Education Grants programs and to obtain technical assistance, oversight and consultancy services in the administration of these grants and to reimburse the United States Departments of Labor, Health and Human Services, and Education for such services: *Provided further*, That up to 2 percent of the funds for subpart 1 of part A of title II of the ESEA shall be reserved by the Secretary for competitive awards for teacher or principal recruitment and training or professional enhancement activities to national not-for-profit organizations, of which up to 10 percent may be used for related research, dissemination, evaluation, technical assistance, and outreach activities: *Provided further*, That \$149,717,000 shall be to carry out part B of title II of the ESEA】 to provide technical assistance in the implementation of the Supplemental Education Grants program. (*Department of Education Appropriations Act, 2014.*)

Program and Financing (in millions of dollars)

Identification code 91–1000–0–1–501	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0001 Improving teacher quality State grants	2,334	2,402	1,681
0002 Mathematics and science partnerships	141	153	.....
0003 21st century community learning centers	1,091	1,163	.....
0004 State assessments	375	383	.....
0005 Education for homeless children and youth	62	65	.....
0006 Education for Native Hawaiians	32	32	.....
0007 Alaska Native education equity	31	31	.....
0008 Training and advisory services	7	7	7
0009 Rural education	170	171	.....
0010 Supplemental education grants	17	18	17
0011 Comprehensive centers	48	48	48
0012 Project SERV	1	.....	.....
0900 Total new obligations	4,309	4,473	1,753
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	78	76	.....
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	2,863	2,716	72
1130 Appropriations permanently reduced	–150	.....	.....
1160 Appropriation, discretionary (total)	2,713	2,716	72
Advance appropriations, discretionary:			
1170 Advance appropriation	1,681	1,681	1,681

1173 Advance appropriations permanently reduced	–87	.....	.....
1180 Advanced appropriation, discretionary (total)	1,594	1,681	1,681
1900 Budget authority (total)	4,307	4,397	1,753
1930 Total budgetary resources available	4,385	4,473	1,753
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	76	.....	.....
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	5,103	4,637	4,824
3010 Obligations incurred, unexpired accounts	4,309	4,473	1,753
3020 Outlays (gross)	–4,756	–4,286	–4,322
3041 Recoveries of prior year unpaid obligations, expired	–19	.....	.....
3050 Unpaid obligations, end of year	4,637	4,824	2,255
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	5,103	4,637	4,824
3200 Obligated balance, end of year	4,637	4,824	2,255
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	4,307	4,397	1,753
Outlays, gross:			
4010 Outlays from new discretionary authority	971	1,063	1,010
4011 Outlays from discretionary balances	3,785	3,223	3,312
4020 Outlays, gross (total)	4,756	4,286	4,322
4180 Budget authority, net (total)	4,307	4,397	1,753
4190 Outlays, net (total)	4,756	4,286	4,322

Summary of Budget Authority and Outlays (in millions of dollars)

	2013 actual	2014 est.	2015 est.
Enacted/requested:			
Budget Authority	4,307	4,397	1,753
Outlays	4,756	4,286	4,322
Legislative proposal, not subject to PAYGO:			
Budget Authority .....	.....	.....	895
Outlays .....	.....	.....	18
Total:			
Budget Authority	4,307	4,397	2,648
Outlays	4,756	4,286	4,340

SUMMARY OF PROGRAM LEVEL

(in millions of dollars)

	2013–2014 Academic Year	2014–2015 Academic Year	2015–2016 Academic Year
New Budget Authority	\$2,713	\$2,716	\$967
Advance Appropriation	1,681	1,681	0
Total program level	4,307	4,397	967
Change in advance appropriation over previous year	0	0	–1,681 ¹

¹To account for the Administration's ESEA reauthorization proposal, the 2015 Budget eliminates the \$1.7 billion advance appropriation that was previously in the School Improvement Programs account (renamed the Education Improvement Programs account) and replaces it with corresponding increases to advance appropriations in the Education for the Disadvantaged account (\$841 million, renamed the Accelerating Achievement and Ensuring Equity account) and the Special Education account (\$841 million). Total advance appropriations in the Department of Education remain \$22.6 billion.

The Administration is proposing legislation reauthorizing the Elementary and Secondary Education Act (ESEA), including programs in this account. Consistent with this reauthorization proposal, the Budget proposes to realign programs in ESEA accounts. When new authorizing legislation is enacted, resources will be requested for these programs. See the "Legislative proposal, not subject to PAYGO" schedule for additional details.

Training and advisory services.—Funds support grants to regional equity assistance centers that provide technical assistance to local educational agencies (LEAs) in addressing educational equity related to issues of race, gender, and national origin.

Supplemental education grants.—Funds support grants to the Federated States of Micronesia and to the Republic of the Marshall Islands in place of grant programs in which those Freely Associated States no longer participate pursuant to the Compact of Free Association Amendments Act of 2003.

EDUCATION IMPROVEMENT PROGRAMS—Continued

Comprehensive centers.—Funds support 22 comprehensive centers that focus on building State capacity to help school districts and schools meet the requirements of the ESEA.

Object Classification (in millions of dollars)

Identification code 91–1000–0–1–501	2013 actual	2014 est.	2015 est.
Direct obligations:			
25.1 Advisory and assistance services		1	
25.2 Other services from non-Federal sources	20	2	
25.3 Other goods and services from Federal sources	1	1	
25.5 Research and development contracts	2	1	2
25.7 Operation and maintenance of equipment		1	
41.0 Grants, subsidies, and contributions	4,286	4,467	1,751
99.9 Total new obligations	4,309	4,473	1,753

EDUCATION IMPROVEMENT PROGRAMS

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91–1000–2–1–501	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0001 Effective teaching and learning: Literacy			184
0002 Effective teaching and learning for a well-rounded education			25
0003 College pathways and accelerated learning			75
0004 Assessing achievement			378
0005 Rural education			170
0006 Education for Native Hawaiians			32
0007 Alaska Native education equity			31
0900 Total new obligations			895
Budgetary Resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation			895
1160 Appropriation, discretionary (total)			895
1900 Budget authority (total)			895
1930 Total budgetary resources available			895
Change in obligated balance:			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts			895
3020 Outlays (gross)			–18
3050 Unpaid obligations, end of year			877
Memorandum (non-add) entries:			
3200 Obligated balance, end of year			877
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross			895
Outlays, gross:			
4010 Outlays from new discretionary authority			18
4180 Budget authority, net (total)			895
4190 Outlays, net (total)			18

The resources in this schedule are proposed for later transmittal under proposed legislation to reauthorize the Elementary and Secondary Education Act of 1965.

Effective teaching and learning: literacy.—Funds would support competitive grants to States to support the development and implementation of comprehensive State and local efforts to provide high-quality literacy programs, aligned with college- and career-ready English-language arts standards, for students from preschool through grade 12.

Effective teaching and learning for a well-rounded education.—Funds would support competitive grants to States and high-need LEAs to develop and expand innovative practices to improve teaching and learning in the arts, health education, foreign languages, civics and government, history, geography,

environmental education, economics, financial literacy, and other subjects.

College pathways and accelerated learning.—Funds would support competitive grants to high-need LEAs for programs that prepare students to enter and succeed in college by providing college-level and other accelerated courses and instruction in middle and high schools as well as accelerated learning opportunities in elementary schools.

Assessing achievement.—Funds would support formula and competitive grants to States to develop and implement assessments that are aligned with college- and career-ready academic standards.

Rural education.—Funds would support formula grants under two programs: the Small, Rural School Achievement program and the Rural and Low-Income School program. The Small, Rural School Achievement program provides rural LEAs with small enrollments with additional formula funds. Funds under the Rural and Low-Income School program, which targets rural LEAs that serve concentrations of poor students, are allocated by formula to States, which in turn allocate funds to eligible LEAs.

Native Hawaiian student education.—Funds would support competitive grants to public and private entities to develop or operate innovative projects that enhance the educational services provided to Native Hawaiian children and adults.

Alaska Native student education.—Funds would support competitive grants to LEAs and other public and private organizations to develop or operate innovative projects that enhance the educational services provided to Alaska Native children and adults.

Object Classification (in millions of dollars)

Identification code 91–1000–2–1–501	2013 actual	2014 est.	2015 est.
Direct obligations:			
25.2 Other services from non-Federal sources			8
41.0 Grants, subsidies, and contributions			887
99.9 Total new obligations			895

【SAFE SCHOOLS AND CITIZENSHIP EDUCATION】 SUPPORTING STUDENT SUCCESS

【For carrying out activities authorized by part A of title IV and subparts 1, 2, and 10 of part D of title V of the ESEA, \$270,892,000: *Provided*, That \$90,000,000 shall be available for subpart 2 of part A of title IV, of which up to \$8,000,000, to remain available until expended, shall be for the Project School Emergency Response to Violence ("Project SERV") program to provide education-related services to local educational agencies and institutions of higher education in which the learning environment has been disrupted due to a violent or traumatic crisis: *Provided further*, That \$56,754,000 shall be available for Promise Neighborhoods and shall be available through December 31, 2014.】 (*Department of Education Appropriations Act, 2014.*)

Program and Financing (in millions of dollars)

Identification code 91–0203–0–1–501	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0001 Safe and drug-free schools and communities national activities	62	95	
0002 Elementary and secondary school counseling	50	50	
0003 Physical education program	75	75	
0004 Promise neighborhoods	61	53	57
0500 Direct program activities, subtotal	248	273	57
0799 Total direct obligations	248	273	57
0803 Reimbursable program activity	2		

0900	Total new obligations	250	273	57
Budgetary Resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	66	59	57
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation	256	271	.....
1130	Appropriations permanently reduced	-13	.....	.....
1160	Appropriation, discretionary (total)	243	271	.....
1900	Budget authority (total)	243	271	.....
1930	Total budgetary resources available	309	330	57
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	59	57	.....
Change in obligated balance:				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1	483	395	350
3010	Obligations incurred, unexpired accounts	250	273	57
3020	Outlays (gross)	-315	-318	-272
3041	Recoveries of prior year unpaid obligations, expired	-23	.....	.....
3050	Unpaid obligations, end of year	395	350	135
Memorandum (non-add) entries:				
3100	Obligated balance, start of year	483	395	350
3200	Obligated balance, end of year	395	350	135
Budget authority and outlays, net:				
Discretionary:				
4000	Budget authority, gross	243	271	.....
Outlays, gross:				
4010	Outlays from new discretionary authority	1	5	.....
4011	Outlays from discretionary balances	314	313	272
4020	Outlays, gross (total)	315	318	272
4180	Budget authority, net (total)	243	271	.....
4190	Outlays, net (total)	315	318	272

Summary of Budget Authority and Outlays (in millions of dollars)

	2013 actual	2014 est.	2015 est.
Enacted/requested:			
Budget Authority	243	271	.....
Outlays	315	318	272
Legislative proposal, not subject to PAYGO:			
Budget Authority .....	.....	.....	1,463
Outlays .....	.....	.....	29
Total:			
Budget Authority	243	271	1,463
Outlays	315	318	301

The Administration is proposing legislation reauthorizing the Elementary and Secondary Education Act (ESEA), including programs in this account. Consistent with this reauthorization proposal, the Budget proposes to realign programs in ESEA accounts. When new authorizing legislation is enacted, resources will be requested for these programs. See the "Legislative proposal, not subject to PAYGO" schedule for additional details.

Object Classification (in millions of dollars)

Identification code 91-0203-0-1-501	2013 actual	2014 est.	2015 est.
Direct obligations:			
25.1 Advisory and assistance services .....	.....	3	2
25.2 Other services from non-Federal sources	10	9	1
25.3 Other goods and services from Federal sources	2	3	.....
41.0 Grants, subsidies, and contributions	236	258	54
99.0 Direct obligations	248	273	57
99.0 Reimbursable obligations	2

99.9	Total new obligations	250	273	57
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SUPPORTING STUDENT SUCCESS
(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91-0203-2-1-501	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0001 Successful, safe, and healthy students	214
0002 Promise neighborhoods	100
0003 21st Century community learning centers	1,149
0900 Total new obligations	1,463
Budgetary Resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	1,463
1160 Appropriation, discretionary (total)	1,463
1930 Total budgetary resources available	1,463
Change in obligated balance:			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts	1,463
3020 Outlays (gross)	-29
3050 Unpaid obligations, end of year	1,434
Memorandum (non-add) entries:			
3200 Obligated balance, end of year	1,434
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	1,463
Outlays, gross:			
4010 Outlays from new discretionary authority	29
4180 Budget authority, net (total)	1,463
4190 Outlays, net (total)	29

The resources in this schedule are proposed for later transmittal under proposed legislation to reauthorize the Elementary and Secondary Education Act of 1965.

Promise neighborhoods.—Funds would support competitive grants and other activities for projects designed to improve significantly the educational and developmental outcomes of children within the Nation's most distressed communities, with the goal of transforming those communities so that all children in the community have access to a cradle-through-college-to-career continuum of academic programs and community supports, including effective schools and services. Promise Neighborhoods is also a central component of the Administration's Promise Zones—high-poverty communities where the Federal Government will engage more directly with local leaders to break down barriers and help them access the resources and expertise they need to create jobs, leverage private investment, increase economic activity, reduce violence, and expand educational opportunities.

Successful, safe, and healthy students.—Funds would support competitive grants and other activities to assist States, local educational agencies (LEAs), and partnerships between LEAs and non-profit organizations or local government entities in improving school climate; reducing or preventing drug use, violence, bullying, or harassment; and promoting and supporting the physical and mental well-being of students so that schools are safe, healthy, and drug-free environments. Funds would also support a variety of school safety initiatives in *Now Is The Time*, the President's plan to protect our children and our communities by reducing gun violence, including efforts to create positive school climates and to counter the effects of pervasive violence on students.

21st century community learning centers.—Funds would support competitive grants to States, LEAs, nonprofit organizations, or local governmental entities for projects that provide the additional

SUPPORTING STUDENT SUCCESS—Continued

time, support, and enrichment activities needed to improve student achievement, including projects that support expanding learning time by significantly increasing the number of hours in a regular school schedule and by comprehensively redesigning the school schedule for all students in a school. Projects could also provide teachers the time they need to collaborate, plan, and engage in professional development within and across grades and subjects.

Object Classification (in millions of dollars)

Identification code 91–0203–2–1–501	2013 actual	2014 est.	2015 est.
Direct obligations:			
25.1 Advisory and assistance services			3
25.2 Other services from non-Federal sources			21
25.3 Other goods and services from Federal sources			2
41.0 Grants, subsidies, and contributions			1,437
99.9 Total new obligations			1,463

INDIAN STUDENT EDUCATION

[For expenses necessary to carry out, to the extent not otherwise provided, title VII, part A of the ESEA, \$123,939,000.] (*Department of Education Appropriations Act, 2014.*)

Program and Financing (in millions of dollars)

Identification code 91–0101–0–1–501	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0001 Grants to local educational agencies	100	100	
0002 Special programs for Indian children	18	18	
0003 National activities	6	6	
0900 Total new obligations	124	124	
Budgetary Resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	131	124	
1130 Appropriations permanently reduced	–7		
1160 Appropriation, discretionary (total)	124	124	
1930 Total budgetary resources available	124	124	
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	140	133	144
3010 Obligations incurred, unexpired accounts	124	124	
3020 Outlays (gross)	–128	–113	–117
3041 Recoveries of prior year unpaid obligations, expired	–3		
3050 Unpaid obligations, end of year	133	144	27
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	140	133	144
3200 Obligated balance, end of year	133	144	27
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	124	124	
Outlays, gross:			
4010 Outlays from new discretionary authority	3	6	
4011 Outlays from discretionary balances	125	107	117
4020 Outlays, gross (total)	128	113	117
4180 Budget authority, net (total)	124	124	
4190 Outlays, net (total)	128	113	117

Summary of Budget Authority and Outlays (in millions of dollars)

	2013 actual	2014 est.	2015 est.
Enacted/requested:			
Budget Authority	124	124	
Outlays	128	113	117
Legislative proposal, not subject to PAYGO:			
Budget Authority			124
Outlays			6

Total:

Budget Authority	124	124	124
Outlays	128	113	123

The Administration is proposing legislation reauthorizing the Elementary and Secondary Education Act (ESEA), including programs in this account. Consistent with this reauthorization proposal, the Budget proposes to realign programs in ESEA accounts. When new authorizing legislation is enacted, resources will be requested for these programs. See the "Legislative proposal, not subject to PAYGO" schedule for additional details.

Object Classification (in millions of dollars)

Identification code 91–0101–0–1–501	2013 actual	2014 est.	2015 est.
Direct obligations:			
25.2 Other services from non-Federal sources	6	6	
41.0 Grants, subsidies, and contributions	118	118	
99.9 Total new obligations	124	124	

INDIAN STUDENT EDUCATION

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91–0101–2–1–501	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0001 Grants to local educational agencies			100
0002 Special programs for Indian children			18
0003 National activities			6
0900 Total new obligations			124
Budgetary Resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation			124
1160 Appropriation, discretionary (total)			124
1930 Total budgetary resources available			124
Change in obligated balance:			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts			124
3020 Outlays (gross)			–6
3050 Unpaid obligations, end of year			118
Memorandum (non-add) entries:			
3200 Obligated balance, end of year			118
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross			124
Outlays, gross:			
4010 Outlays from new discretionary authority			6
4180 Budget authority, net (total)			124
4190 Outlays, net (total)			6

The resources in this schedule are proposed for later transmittal under proposed legislation to reauthorize the Elementary and Secondary Education Act of 1965. The Indian Student Education programs support the efforts of local educational agencies (LEA) and tribal schools to improve teaching and learning for the Nation's American Indian and Alaska Native children.

Grants to local educational agencies.—Formula grants support LEAs in their efforts to reform elementary and secondary school programs that serve Indian students, with the goal of ensuring that such programs assist participating students in meeting the same academic standards as all other students.

Special programs for Indian children.—Funds support competitive awards for demonstration projects in early childhood education and college preparation, as well as professional development grants for training Native American teachers and administrators

for employment in school districts with concentrations of Indian students.

National activities.—Funds support research, evaluation, data collection, and related activities.

Object Classification (in millions of dollars)

Identification code 91–0101–2–1–501	2013 actual	2014 est.	2015 est.
Direct obligations:			
25.2 Other services from non-Federal sources			6
41.0 Grants, subsidies, and contributions			118
99.9 Total new obligations			124

EDUCATION JOBS FUND

Program and Financing (in millions of dollars)

Identification code 91–0012–0–1–501	2013 actual	2014 est.	2015 est.
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	229	10	
3020 Outlays (gross)	–219	–10	
3050 Unpaid obligations, end of year	10		
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	229	10	
3200 Obligated balance, end of year	10		
Budget authority and outlays, net:			
Mandatory:			
Outlays, gross:			
4101 Outlays from mandatory balances	219	10	
4190 Outlays, net (total)	219	10	

Amounts in the schedule reflect balances that are spending out from a prior-year appropriation.

STATE FISCAL STABILIZATION FUND, RECOVERY ACT

Program and Financing (in millions of dollars)

Identification code 91–1909–0–1–999	2013 actual	2014 est.	2015 est.
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	3,865	2,572	
3011 Obligations incurred, expired accounts	1		
3020 Outlays (gross)	–1,292	–2,572	
3041 Recoveries of prior year unpaid obligations, expired	–2		
3050 Unpaid obligations, end of year	2,572		
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	3,865	2,572	
3200 Obligated balance, end of year	2,572		
Budget authority and outlays, net:			
Discretionary:			
Outlays, gross:			
4011 Outlays from discretionary balances	1,292	2,572	
4190 Outlays, net (total)	1,292	2,572	

Amounts in this schedule reflect balances that are spending out from a prior-year appropriation.

OFFICE OF INNOVATION AND IMPROVEMENT

Federal Funds

INNOVATION AND [IMPROVEMENT] INSTRUCTIONAL TEAMS

[For carrying out activities authorized by part G of title I, subpart 5 of part A and parts C and D of title II, parts B, C, and D of title V of the ESEA, and sections 14006 and 14007 of division A of the American Recovery and Reinvestment Act of 2009, as amended, \$1,181,317,000:

Provided, That \$250,000,000 shall be available through December 31, 2014 for awards to States, in accordance with the applicable requirements of section 14006 of division A of Public Law 111–5, as amended: *Provided further*, That the Secretary, jointly with the Secretary of HHS, shall use all funds made available under the immediately preceding proviso to make competitive awards in accordance with such section 14006 to States for improving early childhood care and education, except that, notwithstanding sections 14006(a) and 14005(d)(6) of such division, such awards may be limited to activities that build the capacity within the State to develop, enhance, or expand high-quality preschool programs, including comprehensive services and family engagement, for preschool-aged children from families at or below 200 percent of the Federal poverty line: *Provided further*, That each State may subgrant a portion of such grant funds to local educational agencies and other early learning providers (including but not limited to Head Start programs and licensed child care providers), or consortia thereof, for the implementation of high-quality preschool programs for children from families at or below 200 percent of the Federal poverty line: *Provided further*, That subgrantees that are local educational agencies shall form strong partnerships with early learning providers and that subgrantees that are early learning providers shall form strong partnerships with local educational agencies, in order to carry out the requirements of the subgrant: *Provided further*, That, notwithstanding the second proviso, up to 3 percent of such funds for improving early childhood care and education shall be available for technical assistance, evaluation, and other national activities related to such grants: *Provided further*, That not later than 30 days prior to the announcement of a competition under such section 14006 pursuant to the requirements of this Act, the Secretary shall submit a report outlining the proposed competition and priorities to the Committees on Appropriations of the House of Representatives and the Senate: *Provided further*, That the Secretary shall administer State grants for improving early childhood care and education under such section jointly with the Secretary of HHS on such terms as such Secretaries set forth in an interagency agreement: *Provided further*, That up to \$141,602,000 shall be available through December 31, 2014 for section 14007 of division A of Public Law 111–5, and up to 5 percent of such funds may be used for technical assistance and the evaluation of activities carried out under such section: *Provided further*, That the Secretary may renew a grant made under section 14007 for additional 1-year periods, for fiscal year 2014 and thereafter, if the grantee is meeting its performance targets, up to a total award period of 6 years: *Provided further*, That the education facilities clearinghouse established through a competitive award process in fiscal year 2013 is authorized to collect and disseminate information on effective educational practices and the latest research regarding the planning, design, financing, construction, improvement, operation, and maintenance of safe, healthy, high-performance public facilities for early learning programs, kindergarten through grade 12, and higher education: *Provided further*, That \$288,771,000 of the funds for subpart 1 of part D of title V of the ESEA shall be for competitive grants to local educational agencies, including charter schools that are local educational agencies, or States, or partnerships of: (1) a local educational agency, a State, or both; and (2) at least one nonprofit organization to develop and implement performance-based compensation systems for teachers, principals, and other personnel in high-need schools: *Provided further*, That such performance-based compensation systems must consider gains in student academic achievement as well as classroom evaluations conducted multiple times during each school year among other factors and provide educators with incentives to take on additional responsibilities and leadership roles: *Provided further*, That recipients of such grants shall demonstrate that such performance-based compensation systems are developed with the input of teachers and school leaders in the schools and local educational agencies to be served by the grant: *Provided further*, That recipients of such grants may use such funds to develop or improve systems and tools (which may be developed and used for the entire local educational agency or only for schools served under the grant) that would enhance the quality and success of the compensation system, such as high-quality teacher evaluations and tools to measure growth in student achievement: *Provided further*, That applications for such grants shall include a plan to sustain financially the activities conducted and systems developed under the grant once the grant period has expired: *Provided further*, That up to 5 percent of such funds for competitive grants shall be available for technical assistance, training, peer review of applications, program

INNOVATION AND INSTRUCTIONAL TEAMS—Continued

outreach, and evaluation activities: *Provided further*, That of the funds available for part B of title V of the ESEA, the Secretary shall use not less than \$11,000,000 to carry out activities under section 5205(b) and shall use not less than \$12,000,000 for subpart 2: *Provided further*, That of the funds available for subpart 1 of part B of title V of the ESEA, and notwithstanding section 5205(a), the Secretary shall reserve not less than \$45,000,000 to make multiple awards to non-profit charter management organizations and other entities that are not for-profit entities for the replication and expansion of successful charter school models and shall reserve up to \$11,000,000 to carry out the activities described in section 5205(a), including improving quality and oversight of charter schools and providing technical assistance and grants to authorized public chartering agencies in order to increase the number of high-performing charter schools: *Provided further*, That funds available for part B of title V of the ESEA may be used for grants that support preschool education in charter schools: *Provided further*, That each application submitted pursuant to section 5203(a) shall describe a plan to monitor and hold accountable authorized public chartering agencies through such activities as providing technical assistance or establishing a professional development program, which may include evaluation, planning, training, and systems development for staff of authorized public chartering agencies to improve the capacity of such agencies in the State to authorize, monitor, and hold accountable charter schools: *Provided further*, That each application submitted pursuant to section 5203(a) shall contain assurances that State law, regulations, or other policies require that: (1) each authorized charter school in the State operate under a legally binding charter or performance contract between itself and the school's authorized public chartering agency that describes the rights and responsibilities of the school and the public chartering agency; conduct annual, timely, and independent audits of the school's financial statements that are filed with the school's authorized public chartering agency; and demonstrate improved student academic achievement; and (2) authorized public chartering agencies use increases in student academic achievement for all groups of students described in section 1111(b)(2)(C)(v) of the ESEA as the most important factor when determining to renew or revoke a school's charter.] (*Department of Education Appropriations Act, 2014.*)

Program and Financing (in millions of dollars)

Identification code 91–0204–0–1–501	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0001 Race to the top	634	429	247
0002 Investing in innovation	147	141	140
0003 Teacher incentive fund	284	289	.....
0004 Transition to teaching	25	14	.....
0005 School leadership	27	26	.....
0006 Charter schools grants	228	236	.....
0007 Credit enhancement for charter school facilities	13	12	.....
0008 Magnet schools assistance	92	92	.....
0009 Advanced placement	29	28	.....
0010 Ready-to-learn television	26	26	.....
0011 Fund for the Improvement of Education: Programs of national significance	38	42	.....
0012 Arts in education	24	25	.....
0100 Total direct program	1,567	1,360	387
0799 Total direct obligations	1,567	1,360	387
0801 Reimbursable program activity (DC schools)	41	89	58
0900 Total new obligations	1,608	1,449	445
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	726	621	442
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	1,528	1,181	.....
1130 Appropriations permanently reduced	–80	.....	.....
1160 Appropriation, discretionary (total)	1,448	1,181	.....
Spending authority from offsetting collections, discretionary:			
1700 Collected	57	89	58
1750 Spending auth from offsetting collections, disc (total)	57	89	58
1900 Budget authority (total)	1,505	1,270	58
1930 Total budgetary resources available	2,231	1,891	500
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	–2	.....	.....

1941	Unexpired unobligated balance, end of year	621	442	55
Change in obligated balance:				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1	2,909	3,379	2,143
3010	Obligations incurred, unexpired accounts	1,608	1,449	445
3020	Outlays (gross)	–1,108	–2,685	–1,319
3041	Recoveries of prior year unpaid obligations, expired	–30	.....	.....
3050	Unpaid obligations, end of year	3,379	2,143	1,269
Memorandum (non-add) entries:				
3100	Obligated balance, start of year	2,909	3,379	2,143
3200	Obligated balance, end of year	3,379	2,143	1,269
Budget authority and outlays, net:				
Discretionary:				
4000	Budget authority, gross	1,505	1,270	58
Outlays, gross:				
4010	Outlays from new discretionary authority	4	26	1
4011	Outlays from discretionary balances	1,104	2,659	1,318
4020	Outlays, gross (total)	1,108	2,685	1,319
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4033	Non-Federal sources	–57	–89	–58
4180	Budget authority, net (total)	1,448	1,181	.....
4190	Outlays, net (total)	1,051	2,596	1,261

Summary of Budget Authority and Outlays (in millions of dollars)

	2013 actual	2014 est.	2015 est.
Enacted/requested:			
Budget Authority	1,448	1,181	.....
Outlays	1,051	2,596	1,261
Legislative proposal, not subject to PAYGO:			
Budget Authority .....	.....	.....	3,854
Outlays .....	.....	.....	77
Legislative proposal, subject to PAYGO:			
Budget Authority .....	.....	5,000	.....
Outlays .....	.....	.....	2,750
Total:			
Budget Authority	1,448	6,181	3,854
Outlays	1,051	2,596	4,088

The Administration is proposing legislation reauthorizing the Elementary and Secondary Education Act (ESEA), including the programs in this account. Consistent with this reauthorization proposal, the Budget proposes to realign programs in ESEA accounts. When new authorizing legislation is enacted, resources will be requested for these programs. See the "Legislative proposal, not subject to PAYGO" schedule for additional details.

Object Classification (in millions of dollars)

Identification code 91–0204–0–1–501	2013 actual	2014 est.	2015 est.
Direct obligations:			
25.1 Advisory and assistance services	3	3	3
25.2 Other services from non-Federal sources	51	45	.....
25.5 Research and development contracts	1	1	.....
41.0 Grants, subsidies, and contributions	1,512	1,311	384
99.0 Direct obligations	1,567	1,360	387
99.0 Reimbursable obligations	41	89	58
99.9 Total new obligations	1,608	1,449	445

INNOVATION AND INSTRUCTIONAL TEAMS

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91–0204–2–1–501	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0001 Race to the Top equity and opportunity	300
0002 Investing in innovation	165
0003 Science, technology, engineering, and mathematics (STEM) innovation	320
0004 High school redesign	150
0005 Effective teachers and leaders State grants	2,000
0006 School leadership	35
0007 ConnectEDucators	200

0008	Teacher and leader innovation fund	320
0009	Expanding educational options	248
0010	Magnet schools assistance	92
0011	Fund for the Improvement of Education: Programs of national significance	24
0100	Total direct program	3,854
0900	Total new obligations	3,854
Budgetary Resources:		
Budget authority:		
Appropriations, discretionary:		
1100	Appropriation	3,854
1160	Appropriation, discretionary (total)	3,854
1930	Total budgetary resources available	3,854
Change in obligated balance:		
Unpaid obligations:		
3010	Obligations incurred, unexpired accounts	3,854
3020	Outlays (gross)	-77
3050	Unpaid obligations, end of year	3,777
Memorandum (non-add) entries:		
3200	Obligated balance, end of year	3,777
Budget authority and outlays, net:		
Discretionary:		
4000	Budget authority, gross	3,854
Outlays, gross:		
4010	Outlays from new discretionary authority	77
4180	Budget authority, net (total)	3,854
4190	Outlays, net (total)	77

The resources in this schedule are proposed for later transmittal under proposed legislation to reauthorize the Elementary and Secondary Education Act of 1965.

Race to the top: equity and opportunity.—Funds would support competitive grants centered on increasing the academic performance of high-need students and closing achievement gaps. Grants would be used to help link together State and local fiscal, student achievement, and human resource data systems, allowing schools to identify and address the needs of underserved students by improving access to high-quality teachers and leaders, rigorous coursework, and other evidence-based supports. The program would build on reforms implemented under previous Race to the Top competitions and ESEA flexibility, while also improving the use and effectiveness of resources from other Federal programs such as Title I Grants to Local Educational Agencies and State Longitudinal Data Systems.

Investing in innovation.—Funds would support grants to local educational agencies (LEAs) or to nonprofit organizations in partnership with one or more LEAs or a consortium of schools to develop and expand innovative strategies and practices that have been shown to be effective in improving educational outcomes for students. A portion of the funds would be used to launch the Advanced Research Projects Agency—Education, which would pursue breakthrough developments in educational technologies and other strategies for raising achievement.

STEM innovation.—Funds would support competitive grants to consortia of LEAs in partnership with institutions of higher education (IHEs), businesses, science agencies, or other entities. These public-private partnerships would harness local, regional, and national resources to transform STEM teaching and learning by implementing innovative evidence-based practices that improve teacher effectiveness and student engagement and achievement. Funds would also support a STEM Teacher Pathways program, a STEM Master Teacher Corps, and the Effective Teaching and Learning: STEM program.

High school redesign.—Funds would support competitive grants to transform teaching and learning in high schools by encouraging partnerships among LEAs, IHEs, businesses, and other entities

to enhance instruction and provide career-related experiences to students, helping them prepare for college and careers. Grantees would leverage new and existing federal, State, and local resources to create learning models that are rigorous, relevant, and better focused on real-world experiences while incorporating personalized learning, work- and project-based learning, and career and college exploration.

Effective teachers and leaders State grants.—Funds would support formula grants to States and LEAs to promote and enhance the teaching profession; recruit, prepare, develop, reward, and retain effective and highly effective teachers, principals, and other school leaders and foster excellent instructional teams, especially in high-need LEAs, schools, fields, and subjects; ensure the equitable distribution of effective and highly effective teachers and principals; increase the effectiveness of teachers and principals; strengthen teacher and principal evaluation systems; ensure that teachers have the knowledge, skills, data, support, and collaborative opportunities needed to be effective in the classroom; and improve the management of the education workforce in States and LEAs. The Department would reserve up to 10 percent of the appropriation for this program to build evidence on how to best recruit, train, and support effective teachers and school leaders and invest in efforts to enhance the teaching and leadership professions.

ConnectEDucators.—Funds would support investments in high-quality professional development and instructional resources to help educators as they transition to using technology and data to improve student learning, as enabled by the Administration's ConnectED initiative to expand access to broadband and wireless networks in schools and libraries.

Teacher and leader innovation fund.—Funds would support competitive grants to States and LEAs willing to implement bold approaches to improving the effectiveness of the education workforce in high-need schools and districts by creating the conditions needed to identify, reward, retain, and advance effective teachers, principals, and school leadership teams in those schools, and enabling schools to build the strongest teams possible.

School leadership.—Funds would support competitive grants to States, high-need LEAs, nonprofit organizations, and IHEs, to assist high-need LEAs in recruiting and training principals (including assistant principals) through such activities as professional development programs in leading the transition to college- and career-ready standards, evaluating and providing feedback to teachers, developing school leadership teams, and creating a positive school climate.

Expanding educational options.—Funds would support competitive grants to States, charter school authorizers, charter management organizations, LEAs, and other nonprofit organizations to start or expand high-performing charter and other autonomous public schools in high-need areas.

Magnet schools assistance.—Funds would support competitive grants to LEAs to establish and operate magnet school programs that are part of an approved desegregation plan.

Fund for the improvement of education: programs of national significance.—Funds would support nationally significant projects to improve the quality of elementary and secondary education, including an interagency initiative to strengthen services provided to disconnected youth, partnerships between districts and researchers to support non-cognitive interventions, and continuation of efforts to improve the quality, analysis, and reporting of elementary and secondary education performance data.

INNOVATION AND INSTRUCTIONAL TEAMS—Continued

Object Classification (in millions of dollars)

Identification code 91–0204–2–1–501	2013 actual	2014 est.	2015 est.
Direct obligations:			
25.1 Advisory and assistance services			62
25.2 Other services from non-Federal sources			44
41.0 Grants, subsidies, and contributions			3,748
99.9 Total new obligations			3,854

INNOVATION AND INSTRUCTIONAL TEAMS
(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91–0204–4–1–501	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0001 Recognizing educational success, professional excellence, and collaborative teaching (RESPECT)		5,000	
0100 Total direct program		5,000	
0900 Total new obligations (object class 41.0)		5,000	
Budgetary Resources:			
Budget authority:			
1200 Appropriations, mandatory:			
Appropriation		5,000	
1260 Appropriations, mandatory (total)		5,000	
1930 Total budgetary resources available		5,000	
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1			5,000
3010 Obligations incurred, unexpired accounts		5,000	
3020 Outlays (gross)			–2,750
3050 Unpaid obligations, end of year		5,000	2,250
Memorandum (non-add) entries:			
3100 Obligated balance, start of year			5,000
3200 Obligated balance, end of year		5,000	2,250
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross		5,000	
Outlays, gross:			
4101 Outlays from mandatory balances			2,750
4180 Budget authority, net (total)		5,000	
4190 Outlays, net (total)			2,750

Recognizing educational success, professional excellence, and collaborative teaching (RESPECT).—Funds would provide targeted support for teachers and school leaders in areas of identified need, including stronger preparation and early career support; opportunities for teacher development, advancement, and leadership; help in transitioning to college- and career-ready standards; and supportive work environments.

OFFICE OF ENGLISH LANGUAGE ACQUISITION

Federal Funds

ENGLISH [LANGUAGE ACQUISITION] LEARNER EDUCATION

[For carrying out part A of title III of the ESEA, \$723,400,000, which shall become available on July 1, 2014, and shall remain available through September 30, 2015, except that 6.5 percent of such amount shall be available on October 1, 2013, and shall remain available through September 30, 2015, to carry out activities under section 3111(c)(1)(C): *Provided*, That the Secretary shall use estimates of the American Community Survey child counts for the most recent 3-year period available to calculate allocations under such part.] (*Department of Education Appropriations Act, 2014.*)

Program and Financing (in millions of dollars)

Identification code 91–1300–0–1–501	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0001 English language acquisition grants	695	723	
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	14	15	15
1021 Recoveries of prior year unpaid obligations	2		
1050 Unobligated balance (total)	16	15	15
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	732	723	
1130 Appropriations permanently reduced	–38		
1160 Appropriation, discretionary (total)	694	723	
1930 Total budgetary resources available	710	738	15
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	15	15	15
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	1,036	1,031	985
3010 Obligations incurred, unexpired accounts	695	723	
3020 Outlays (gross)	–696	–769	–718
3040 Recoveries of prior year unpaid obligations, unexpired	–2		
3041 Recoveries of prior year unpaid obligations, expired	–2		
3050 Unpaid obligations, end of year	1,031	985	267
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	1,036	1,031	985
3200 Obligated balance, end of year	1,031	985	267
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	694	723	
Outlays, gross:			
4010 Outlays from new discretionary authority	4	7	
4011 Outlays from discretionary balances	692	762	718
4020 Outlays, gross (total)	696	769	718
4180 Budget authority, net (total)	694	723	
4190 Outlays, net (total)	696	769	718

Summary of Budget Authority and Outlays (in millions of dollars)

	2013 actual	2014 est.	2015 est.
Enacted/requested:			
Budget Authority	694	723	
Outlays	696	769	718
Legislative proposal, not subject to PAYGO:			
Budget Authority			723
Outlays			7
Total:			
Budget Authority	694	723	723
Outlays	696	769	725

The Administration is proposing legislation reauthorizing the Elementary and Secondary Education Act (ESEA), including programs in this account. Consistent with this reauthorization proposal, the Budget proposes to realign programs in ESEA accounts. When new authorizing legislation is enacted, resources will be requested for these programs. See the "Legislative proposal, not subject to PAYGO" schedule for additional details.

Object Classification (in millions of dollars)

Identification code 91–1300–0–1–501	2013 actual	2014 est.	2015 est.
Direct obligations:			
25.1 Advisory and assistance services	4	3	
25.2 Other services from non-Federal sources	2	3	
41.0 Grants, subsidies, and contributions	689	717	

99.9 Total new obligations 695 723

ENGLISH LEARNER EDUCATION
(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91-1300-2-1-501	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0001 English language acquisition grants			723
Budgetary Resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation			723
1160 Appropriation, discretionary (total)			723
1930 Total budgetary resources available			723
Change in obligated balance:			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts			723
3020 Outlays (gross)			-7
3050 Unpaid obligations, end of year			716
Memorandum (non-add) entries:			
3200 Obligated balance, end of year			716
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross			723
Outlays, gross:			
4010 Outlays from new discretionary authority			7
4180 Budget authority, net (total)			723
4190 Outlays, net (total)			7

The resources in this schedule are proposed for later transmittal under proposed legislation to reauthorize the Elementary and Secondary Education Act of 1965.

Language acquisition State grants.—This program provides formula grants to States to improve services for English Learners. States are accountable for demonstrating that English Learners are making progress toward proficiency in English and meeting the same high State academic standards as all other students. Funds also support national activities, including professional development, evaluation, a national information clearinghouse on English language acquisition, and technical assistance to grantees and funding for demonstration projects to replicate proven practices.

Object Classification (in millions of dollars)

Identification code 91-1300-2-1-501	2013 actual	2014 est.	2015 est.
Direct obligations:			
25.1 Advisory and assistance services			4
25.2 Other services from non-Federal sources			2
41.0 Grants, subsidies, and contributions			717
99.9 Total new obligations			723

**OFFICE OF SPECIAL EDUCATION AND
REHABILITATIVE SERVICES**

Federal Funds

SPECIAL EDUCATION

For carrying out the Individuals with Disabilities Education Act (IDEA) and the Special Olympics Sport and Empowerment Act of 2004, [\$12,497,300,000] \$12,600,627,000, of which [\$2,981,201,000] \$2,243,808,000 shall become available on July 1, [2014] 2015, and shall remain available through September 30, [2015] 2016, and of which [\$9,283,383,000] \$10,124,103,000 shall become available on October 1, [2014] 2015, and shall remain available through September 30, [2015] 2016, for academic year [2014-2015] 2015-2016: *Provided*, That the

amount for section 611(b)(2) of the IDEA shall be equal to the lesser of the amount available for that activity during fiscal year [2013] 2014, increased by the amount of inflation as specified in section 619(d)(2)(B) of the IDEA, or the percent change in the funds appropriated under section 611(i) of the IDEA *after reserving funds described in the 12th proviso*, but not less than the amount for that activity during fiscal year [2013] 2014: *Provided further*, That the Secretary shall, without regard to section 611(d) of the IDEA, distribute to all other States (as that term is defined in section 611(g)(2)), subject to the third proviso, any amount by which a State's allocation under section 611(d), from funds appropriated under this heading, is reduced under section 612(a)(18)(B), according to the following: 85 percent on the basis of the States' relative populations of children aged 3 through 21 who are of the same age as children with disabilities for whom the State ensures the availability of a free appropriate public education under this part, and 15 percent to States on the basis of the States' relative populations of those children who are living in poverty: *Provided further*, That the Secretary may not distribute any funds under the previous proviso to any State whose reduction in allocation from funds appropriated under this heading made funds available for such a distribution: *Provided further*, That the States shall allocate such funds distributed under the second proviso to local educational agencies in accordance with section 611(f): *Provided further*, That the amount by which a State's allocation under section 611(d) of the IDEA is reduced under section 612(a)(18)(B) and the amounts distributed to States under the previous provisos in fiscal year 2012 or any subsequent year shall not be considered in calculating the awards under section 611(d) for fiscal year 2013 or for any subsequent fiscal years: *Provided further*, That the funds reserved under 611(c) of the IDEA may be used to provide technical assistance to States to improve the capacity of the States to meet the data collection requirements of sections 616 and 618 and to administer and carry out other services and activities to improve data collection, coordination, quality, and use under parts B and C of the IDEA: [Provided further, That funds made available for the Special Olympics Sport and Empowerment Act of 2004 may be used to support expenses associated with the Special Olympics National and World Games:] *Provided further*, That the level of effort a local educational agency must meet under section 613(a)(2)(A)(iii) of the IDEA, in the year after it fails to maintain effort is the level of effort that would have been required in the absence of that failure and not the LEA's reduced level of expenditures: *Provided further*, That the Secretary may use funds made available for the State Personnel Development Grants program under Part D, subpart 1 of IDEA to evaluate program performance: *Provided further*, That, notwithstanding section 612(a)(18)(B), in reducing a State's allocation under section 611 for failure to comply with the requirement of section 612(a)(18)(A), the Secretary may apply that reduction over a period of consecutive fiscal years, not to exceed five, until the entire reduction is applied: *Provided further*, That the Secretary may, in any fiscal year in which a State's allocation under section 611 is reduced in accordance with section 612(a)(18)(B), reduce the amount a State may reserve under section 611(e)(1) by an amount that bears the same relation to the maximum amount described in that paragraph as the reduction under section 612(a)(18)(B) bears to the total allocation the State would have received in that fiscal year under section 611(d) in the absence of the reduction: *Provided further*, That the Secretary shall either reduce the allocation of funds under section 611 for any fiscal year following the fiscal year for which the State fails to comply with the requirement of section 612(a)(18)(A) as authorized by section 612(a)(18)(B), or seek to recover funds under section 452 of the General Education Provisions Act (20 U.S.C. 1234a): *Provided further*, That the Secretary may reserve up to \$100,000,000 of the funds made available for section 611 of the IDEA to support: (1) competitive grants to States, outlying areas, freely associated states, and the Secretary of the Interior to carry out activities identified in its State Systemic Improvement Plans to improve results for children with disabilities birth through age 21 under Parts B and C of the IDEA; and (2) related activities for carrying out and assessing the performance of such those grants: *Provided further*, That funds reserved under the preceding proviso shall remain available for obligation through September 30, 2016: *Provided further*, That each entity that receives a grant under the second preceding proviso may make subgrants, contracts, or otherwise distribute those funds on a competitive, targeted, or formula basis to public, private, and non-profit entities, including local educational agencies and early intervention service providers, to carry out activities

SPECIAL EDUCATION—Continued

authorized under that proviso: Provided further, That, notwithstanding section 611(d)(1) of the IDEA, after reserving funds under the third preceding proviso and funds for technical assistance, and for payments to the outlying areas, the freely associated States, and the Secretary of the Interior under sections 611(b) and (c) of the IDEA, the Secretary shall allocate the remaining amount among the States in accordance with section 611(d) of the IDEA. (Department of Education Appropriations Act, 2014.)

Program and Financing (in millions of dollars)

Identification code 91-0300-0-1-501	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0001 Grants to States	10,982	11,476	10,644
0002 Preschool grants	353	353	353
0003 Grants for infants and families	443	493	450
0091 Subtotal, State grants	11,778	12,322	11,447
0101 State personnel development	42	42	42
0102 Technical assistance and dissemination	44	44	44
0103 Personnel preparation	84	84	84
0104 Parent information centers	27	27	27
0105 Technology and media services	28	28	28
0191 Subtotal, National activities	225	225	225
0200 Total Direct Program	12,003	12,547	11,672
0201 Special Olympics education programs	8	8	8
0203 PROMISE: Promoting Readiness of Minors in SSI	2	2	.....
0291 Direct program activities, subtotal	10	10	8
0900 Total new obligations	12,013	12,557	11,680
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	103	72	12
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	3,357	3,214	2,477
1130 Appropriations permanently reduced	-176	.....	.....
1160 Appropriation, discretionary (total)	3,181	3,214	2,477
Advance appropriations, discretionary:			
1170 Advance appropriation (Advance appropriated in previous year)	9,283	9,283	9,283
1173 Advance appropriations permanently reduced	-482	.....	.....
1180 Advanced appropriation, discretionary (total)	8,801	9,283	9,283
1900 Budget authority (total)	11,982	12,497	11,760
1930 Total budgetary resources available	12,085	12,569	11,772
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	72	12	92
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	6,945	6,533	5,778
3010 Obligations incurred, unexpired accounts	12,013	12,557	11,680
3020 Outlays (gross)	-12,366	-13,312	-12,453
3041 Recoveries of prior year unpaid obligations, expired	-59	.....	.....
3050 Unpaid obligations, end of year	6,533	5,778	5,005
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	6,945	6,533	5,778
3200 Obligated balance, end of year	6,533	5,778	5,005
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	11,982	12,497	11,760
Outlays, gross:			
4010 Outlays from new discretionary authority	6,111	7,616	7,606
4011 Outlays from discretionary balances	6,255	5,696	4,847
4020 Outlays, gross (total)	12,366	13,312	12,453
4180 Budget authority, net (total)	11,982	12,497	11,760
4190 Outlays, net (total)	12,366	13,312	12,453

SUMMARY OF GRANTS TO STATES PROGRAM LEVEL

	[in millions of dollars]		
	2013-2014 Academic Year	2014-2015 Academic Year	2015-2016 Academic Year
Current Budget Authority	\$1,692	\$2,189	\$1,449
Advance appropriation	10,975	9,283	10,124

Total program level	11,578	11,472	11,573
Change in advance appropriation from the previous year	0	0	841 ¹

¹To account for the Administration's ESEA reauthorization proposal, the 2015 Budget eliminates the \$1.7 billion advance appropriation that was previously in the School Improvement Programs account (renamed the Education Improvement Programs account) and replaces it with corresponding increases to advance appropriations in the Education for the Disadvantaged (\$841 million, renamed the Accelerating Achievement and Ensuring Equity account) and Special Education (\$841 million) accounts. Total advance appropriations in the Department of Education remain the same at \$22.6 billion.

State Grants:

Grants to States.—Formula grants are provided to States to assist them in providing special education and related services to children with disabilities ages 3 through 21. The request for the Grants to States program includes \$100 million to support new Results Driven Accountability (RDA) Incentive grants. These 4-year competitive grants will be used by States to identify and implement promising, evidence-based reforms that will improve service delivery for children with disabilities served under Parts B and C of IDEA, while also building State and local capacity to continue to improve outcomes for those children in the long-term.

Preschool grants.—Formula grants provide additional funds to States to further assist them in providing special education and related services to children with disabilities ages 3 through 5 served under the Grants to States program.

The goal of both of these programs is to improve results for children with disabilities by assisting State and local educational agencies to provide children with disabilities with access to high quality education that will help them meet challenging standards and prepare them for employment and independent living.

Grants for infants and families.—Formula grants are provided to assist States to implement statewide systems of coordinated, comprehensive, multi-disciplinary interagency programs to provide early intervention services to children with disabilities, birth through age 2, and their families.

The goal of this program is to help States provide a comprehensive system of early intervention services that will enhance child and family outcomes.

National activities.—These activities include personnel preparation and development, technical assistance, and other activities to support State efforts to improve results for children with disabilities under the State Grants programs.

The goal of National Activities is to link States, school systems, and families to best practices to improve results for infants, toddlers, and children with disabilities.

Special Olympics education programs.—This program funds activities that promote the expansion of the Special Olympics and the design and implementation of Special Olympics education programs.

Performance data related to program goals include:

Basis for Leaving Special Education for Youth with Disabilities Ages 14 and Older		2009-2010 Actual	2010-2011 Actual	2011-2012 Actual
Status of Exiting Students				
Percent / number of students with disabilities aged 14-21 exiting special education:				
Graduated with a diploma	37.9% / 256,102	39.7% / 255,801	39.7% / 250,575	
Graduated through certification	8.9% / 60,001	9.2% / 58,946	8.5% / 53,901	
Transferred to regular education	9.9% / 66,920	9.5% / 61,243	10.2% / 64,637	
Dropped out of school/not known to continue	12.8% / 86,327	12.6% / 80,927	12.7% / 80,427	
Moved, but known to have continued in education	29.6% / 199,899	28.2% / 181,618	27.9% / 175,709	
Reached maximum age for services/other8% / 5,071	.8% / 5,245	.9% / 5,565	

Total	100% / 674,320	100% / 643,780	100% / 630,823
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Note—Percentages may not add to 100% due to rounding.

Note—Previous versions of this table did not contain the categories "Transferred to regular education" and "Moved, but known to have continued in education." The Department of Education revised its data collection forms to include these additional items, which track additional students with disabilities ages 14 and older who leave special education, and are mutually exclusive with other categories included in this table. Because this is the case, the percentages reported in this table are not comparable with percentages reported in the same table in previous years.

Object Classification (in millions of dollars)

Identification code 91-0300-0-1-501	2013 actual	2014 est.	2015 est.
Direct obligations:			
25.2 Other services from non-Federal sources	5	5	3
25.3 Other goods and services from Federal sources	1	1	1
41.0 Grants, subsidies, and contributions	12,007	12,551	11,676
99.9 Total new obligations	12,013	12,557	11,680

REHABILITATION SERVICES AND DISABILITY RESEARCH

For carrying out, to the extent not otherwise provided, the Rehabilitation Act of 1973, the Assistive Technology Act of 1998, and the Helen Keller National Center Act, **[\$3,680,497,000] \$3,683,335,000**, of which **[\$3,302,053,000] \$3,335,074,000** shall be for grants for vocational rehabilitation services under title I of the Rehabilitation Act: *Provided*, That the Secretary of Education may allocate to States, in accordance with a formula determined by the Secretary, up to **\$33,021,000** of the amount provided for the vocational rehabilitation services program: *Provided further*, That section 302(g)(3) of the Rehabilitation Act shall not apply to funds provided under section 302 of such Act: *Provided further*, That the Secretary may use amounts provided in this Act that remain available subsequent to the reallocation of funds to States pursuant to section 110(b) of the Rehabilitation Act for innovative activities aimed at improving the outcomes of individuals with disabilities as defined in section 7(20)(B) of the Rehabilitation Act, including activities aimed at improving the education and post-school outcomes of children receiving Supplemental Security Income ("SSI") and their families that may result in long-term improvement in the SSI child recipient's economic status and self-sufficiency: *Provided further*, That from the remaining available amounts that are not used to carry out activities aimed at improving the education and post-school outcomes of children receiving SSI and their families authorized in the previous proviso, up to \$20,000,000 may be used for other innovative activities aimed at improving the outcomes of individuals with disabilities as defined in section 7(20)(B) of the Rehabilitation Act: *Provided further*, That States may award subgrants for a portion of the funds to other public and private, non-profit entities: *Provided further*, That any funds made available subsequent to reallocation for innovative activities aimed at improving the outcomes of individuals with disabilities shall remain available until September 30, **2015: Provided further**, That \$2,000,000 shall be for competitive grants to support alternative financing programs that provide for the purchase of assistive technology devices, such as a low-interest loan fund; an interest buy-down program; a revolving loan fund; a loan guarantee; or insurance program: *Provided further*, That applicants shall provide an assurance that, and information describing the manner in which, the alternative financing program will expand and emphasize consumer choice and control: *Provided further*, That State agencies and community-based disability organizations that are directed by and operated for individuals with disabilities shall be eligible to compete **2016. (Department of Education Appropriations Act, 2014.)**

Program and Financing (in millions of dollars)

Identification code 91-0301-0-1-506	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0001 Vocational rehabilitation State grants	2,985	3,064	3,335
0002 Client assistance State grants	12	12	12
0003 Supported employment State grants	27	28	.....
0004 Migrant and seasonal farmworkers	1	1	.....
0005 Training	34	34	30
0006 Demonstration and training programs	5	5	6
0007 Independent living	130	135	135
0008 Protection and advocacy of individual rights	17	17	17

0009 National Institute on Disability and Rehabilitation Research	103	104	108
0011 Helen Keller National Center	9	9	9
0012 Assistive technology	31	33	31
0013 PROMISE	119	82	20
0100 Total direct program	3,473	3,524	3,703
0799 Total direct obligations	3,473	3,524	3,703
0801 Reimbursable program	2	2	2
0900 Total new obligations	3,475	3,526	3,705

Budgetary Resources:

Unobligated balance:			
1012 Unobligated balance transfers between expired and unexpired accounts	119	82	20
1050 Unobligated balance (total)	119	82	20
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	390	378	348
1130 Appropriations permanently reduced	-20	.....	.....
1160 Appropriation, discretionary (total)	370	378	348
Appropriations, mandatory:			
1200 Appropriation	3,231	3,302	3,335
1230 Appropriations and/or unobligated balance of appropriations permanently reduced	-165	-238	.....
1260 Appropriations, mandatory (total)	3,066	3,064	3,335
Spending authority from offsetting collections, discretionary:			
1700 Collected	2	2	2
1750 Spending auth from offsetting collections, disc (total)	2	2	2
1900 Budget authority (total)	3,438	3,444	3,685
1930 Total budgetary resources available	3,557	3,526	3,705
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	-82	.....	.....

Change in obligated balance:

Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	2,363	2,292	1,666
3010 Obligations incurred, unexpired accounts	3,475	3,526	3,705
3011 Obligations incurred, expired accounts	38	.....	.....
3020 Outlays (gross)	-3,482	-4,152	-3,698
3041 Recoveries of prior year unpaid obligations, expired	-102	.....	.....
3050 Unpaid obligations, end of year	2,292	1,666	1,673
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	2,363	2,292	1,666
3200 Obligated balance, end of year	2,292	1,666	1,673

Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross	372	380	350
Outlays, gross:			
4010 Outlays from new discretionary authority	84	239	220
4011 Outlays from discretionary balances	317	362	164
4020 Outlays, gross (total)	401	601	384
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources	-2	-2	-2
Mandatory:			
4090 Budget authority, gross	3,066	3,064	3,335
Outlays, gross:			
4100 Outlays from new mandatory authority	1,482	1,930	2,101
4101 Outlays from mandatory balances	1,599	1,621	1,213
4110 Outlays, gross (total)	3,081	3,551	3,314
4180 Budget authority, net (total)	3,436	3,442	3,683
4190 Outlays, net (total)	3,480	4,150	3,696

Vocational rehabilitation State grants.—The basic State grants program provides Federal matching funds to State vocational rehabilitation (VR) agencies to assist individuals with physical or mental impairments to become gainfully employed. Services are tailored to the specific needs of the individual. Priority is given to serving those with the most significant disabilities. Current law requires that between 1.0 percent and 1.5 percent of the funds appropriated for the VR State grants program be set aside for Grants for Indians.

The program performance measures for this program are based on State VR agency performance indicators developed pursuant to Section 106 of the Rehabilitation Act. One of these indicators

REHABILITATION SERVICES AND DISABILITY RESEARCH—Continued

measures the percentage of general and combined State VR agencies that assist at least 55.8 percent of individuals receiving services to achieve an employment outcome. In 2012, 57 percent of the agencies met this performance criterion. Another indicator measures the percentage of general and combined State VR agencies that assist at least 85 percent of individuals with employment outcomes to achieve competitive employment. In 2012, 96 percent of general and combined agencies met this performance criterion. These outcome data are based on the approximately 323,300 individuals whose service records were closed in 2012 after receiving services.

The request for the VR State Grants program includes the CPIU adjustment specified in the authorizing statute, which would offset the reduction in funds resulting from the Administration's proposal to eliminate separate funding authorities for the smaller VR-related programs under the Rehabilitation Act in order to reduce duplication of effort and administrative costs, streamline program administration at the Federal and local level, and improve efficiency and accountability. The FY 2015 request also includes language that would allow the Secretary to use amounts provided in this Act for the VR State Grants program that remain available subsequent to the reallocation of funds to States pursuant to section 110(b) of the Rehabilitation Act to support innovative activities aimed at improving outcomes for individuals with disabilities, including activities under the Promoting Readiness of Minors in Supplemental Security Income (PROMISE) program.

Client assistance State grants.—Formula grants are made to States to provide assistance in informing and advising clients and applicants about benefits available under the Rehabilitation Act and, if requested, to pursue legal or administrative remedies to ensure the protection of the rights of individuals with disabilities.

Training.—Grants are made to States and public or nonprofit agencies and organizations, including institutions of higher education, to increase the number of skilled personnel available for employment in the field of rehabilitation and to upgrade the skills of those already employed. The Administration's proposal would eliminate funds currently provided to State VR agencies to support in-service training for agency personnel under section 302(g)(3) of the Training program as these agencies are able to use VR State Grant funds for training State agency personnel. This proposal would eliminate the administrative costs involved in making small grants each year to State VR agencies under the Training program and improve the efficiency of training delivered under the Rehabilitation Act.

Demonstration and training programs.—Competitive grants and contracts are awarded to expand and improve the provision and effectiveness of programs and services authorized under the Rehabilitation Act or further the purposes of the Act in promoting the employment and independence of individuals with disabilities in the community. Funds are used to support model demonstrations, technical assistance, and projects designed to improve program performance and the delivery of vocational rehabilitation and independent living services.

Independent living.—Grants are awarded to States and consumer-controlled nonprofit organizations to assist individuals with significant disabilities in their achievement of self-determined independent living goals. Grants are also awarded to provide support services to older blind individuals to increase their ability to care for their own needs.

Protection and advocacy of individual rights.—Formula grants are made to State protection and advocacy systems to protect the legal and human rights of individuals with disabilities.

National institute on disability and rehabilitation research.—The Institute carries out a comprehensive and coordinated program of rehabilitation research and related activities. Through grants and contracts, it supports the conduct and dissemination of research and development aimed at improving the lives of individuals with disabilities. The Institute also promotes the development and utilization of new technologies to assist these individuals in achieving greater independence and integration into society. Funds would also be used to conduct rigorous evaluations of programs and activities authorized under the Rehabilitation Act.

Helen Keller national center for deaf blind youths and adults.—The Center provides services to deaf-blind youths and adults and provides training and technical assistance to professional and allied personnel at its national headquarters center and through its regional representatives and affiliate agencies.

Assistive technology.—Assistive Technology (AT) programs support AT State formula grants to implement comprehensive Statewide programs designed to maximize the ability of individuals with disabilities of all ages to obtain assistive technology. States conduct activities that include alternative financing programs, device reutilization programs, device loan programs, and device demonstrations. Formula grants are also provided under the AT Protection and Advocacy program to systems established under the Developmental Disabilities Assistance and Bill of Rights Act for protection and advocacy services to assist individuals with disabilities of all ages. Funds also support national technical assistance activities for these formula grant programs.

Object Classification (in millions of dollars)

Identification code 91-0301-0-1-506	2013 actual	2014 est.	2015 est.
Direct obligations:			
25.1 Advisory and assistance services	6	6	6
25.2 Other services from non-Federal sources	1	1	1
41.0 Grants, subsidies, and contributions	3,466	3,517	3,696
99.0 Direct obligations	3,473	3,524	3,703
99.0 Reimbursable obligations	2	2	2
99.9 Total new obligations	3,475	3,526	3,705

SPECIAL INSTITUTIONS FOR PERSONS WITH DISABILITIES

AMERICAN PRINTING HOUSE FOR THE BLIND

For carrying out the Act of March 3, 1879, \$24,456,000. (*Department of Education Appropriations Act, 2014.*)

Program and Financing (in millions of dollars)

Identification code 91-0600-0-1-501	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0001 American printing house for the blind	23	24	25
0900 Total new obligations (object class 41.0)	23	24	25
Budgetary Resources:			
1000 Unobligated balance:			
Unobligated balance brought forward, Oct 1		1	1
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	25	24	24
1130 Appropriations permanently reduced	-1		
1160 Appropriation, discretionary (total)	24	24	24
1930 Total budgetary resources available	24	25	25
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	1	1	
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	7	6	6

3010	Obligations incurred, unexpired accounts	23	24	25
3020	Outlays (gross)	-24	-24	-24
3050	Unpaid obligations, end of year	6	6	7
	Memorandum (non-add) entries:			
3100	Obligated balance, start of year	7	6	6
3200	Obligated balance, end of year	6	6	7
Budget authority and outlays, net:				
	Discretionary:			
4000	Budget authority, gross	24	24	24
	Outlays, gross:			
4010	Outlays from new discretionary authority	17	18	18
4011	Outlays from discretionary balances	7	6	6
4020	Outlays, gross (total)	24	24	24
4180	Budget authority, net (total)	24	24	24
4190	Outlays, net (total)	24	24	24

The Federal appropriation supports: the production and distribution of free educational materials for students below the college level who are blind, research related to developing and improving products, and advisory services to consumer organizations on the availability and use of materials. In 2013, the portion of the Federal appropriation allocated to educational materials represented approximately 72 percent of the Printing House's total sales. The full 2013 appropriation represented approximately 75 percent of the Printing House's total budget.

NATIONAL TECHNICAL INSTITUTE FOR THE DEAF

For the National Technical Institute for the Deaf under titles I and II of the Education of the Deaf Act of 1986, \$66,291,000: *Provided*, That from the total amount available, the Institute may at its discretion use funds for the endowment program as authorized under section 207 of such Act. (*Department of Education Appropriations Act, 2014.*)

Program and Financing (in millions of dollars)

Identification code 91-0601-0-1-502	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0001 Operations	62	66	66
0900 Total new obligations (object class 41.0)	62	66	66
Budgetary Resources:			
	Budget authority:		
	Appropriations, discretionary:		
1100 Appropriation	65	66	66
1130 Appropriations permanently reduced	-3		
1160 Appropriation, discretionary (total)	62	66	66
1930 Total budgetary resources available	62	66	66
Change in obligated balance:			
	Unpaid obligations:		
3000 Unpaid obligations, brought forward, Oct 1	2	2	2
3010 Obligations incurred, unexpired accounts	62	66	66
3020 Outlays (gross)	-62	-66	-66
3050 Unpaid obligations, end of year	2	2	2
	Memorandum (non-add) entries:		
3100 Obligated balance, start of year	2	2	2
3200 Obligated balance, end of year	2	2	2
Budget authority and outlays, net:			
	Discretionary:		
4000 Budget authority, gross	62	66	66
	Outlays, gross:		
4010 Outlays from new discretionary authority	62	66	66
4180 Budget authority, net (total)	62	66	66
4190 Outlays, net (total)	62	66	66

This residential program provides postsecondary technical and professional education for people who are deaf to prepare them for employment, provides training, and conducts applied research into employment-related aspects of deafness. In 2013, the Federal appropriation represented approximately 71 percent of the Insti-

tute's operating budget. The 2015 request includes funds that may be used for the Endowment Grant program.

GALLAUDET UNIVERSITY

For the Kendall Demonstration Elementary School, the Model Secondary School for the Deaf, and the partial support of Gallaudet University under titles I and II of the Education of the Deaf Act of 1986, \$119,000,000: *Provided*, That from the total amount available, the University may at its discretion use funds for the endowment program as authorized under section 207 of such Act. (*Department of Education Appropriations Act, 2014.*)

Program and Financing (in millions of dollars)

Identification code 91-0602-0-1-502	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0001 Operations	111	119	119
0002 Construction	8		
0900 Total new obligations (object class 41.0)	119	119	119
Budgetary Resources:			
	Budget authority:		
	Appropriations, discretionary:		
1100 Appropriation	126	119	119
1130 Appropriations permanently reduced	-7		
1160 Appropriation, discretionary (total)	119	119	119
1930 Total budgetary resources available	119	119	119
Change in obligated balance:			
	Unpaid obligations:		
3000 Unpaid obligations, brought forward, Oct 1	17	25	7
3010 Obligations incurred, unexpired accounts	119	119	119
3020 Outlays (gross)	-111	-137	-125
3050 Unpaid obligations, end of year	25	7	1
	Memorandum (non-add) entries:		
3100 Obligated balance, start of year	17	25	7
3200 Obligated balance, end of year	25	7	1
Budget authority and outlays, net:			
	Discretionary:		
4000 Budget authority, gross	119	119	119
	Outlays, gross:		
4010 Outlays from new discretionary authority	111	119	119
4011 Outlays from discretionary balances		18	6
4020 Outlays, gross (total)	111	137	125
4180 Budget authority, net (total)	119	119	119
4190 Outlays, net (total)	111	137	125

This institution provides undergraduate, continuing education, and graduate programs related to deafness for students who are deaf and hard of hearing. The University also conducts basic and applied research and provides public service programs for persons who are deaf and persons who work with them.

Gallaudet operates the Laurent Clerc National Deaf Education Center, which includes two elementary and secondary education programs on the main campus of the University. The Kendall Demonstration Elementary School serves students who are deaf from infancy through age 15, and the Model Secondary School for the Deaf (MSSD) serves high school age students who are deaf. The Clerc Center also develops and disseminates information on effective educational techniques and strategies for teachers and professionals working with students who are deaf or hard of hearing.

In 2013, the appropriation for Gallaudet represented approximately 67 percent of total revenue for the University. Approximately 25 percent of the Federal appropriation was used to support activities at the Clerc Center, which received nearly 100 percent of its revenue through the appropriation. In addition, the University receives other Federal funds such as student financial aid,

GALLAUDET UNIVERSITY—Continued

vocational rehabilitation, Endowment Grant program income, and competitive grants and contracts. The 2015 request includes funds that may be used for the Endowment Grant program.

OFFICE OF VOCATIONAL AND ADULT EDUCATION

Federal Funds

CAREER, TECHNICAL, AND ADULT EDUCATION

For carrying out, to the extent not otherwise provided, [the Carl D. Perkins Career and Technical Education Act of 2006 and] the Adult Education and Family Literacy Act ("AEFLA"), [\$1,702,686,000, of] \$597,667,000, which [\$911,686,000] shall become available on July 1, [2014] 2015, and shall remain available through September 30, [2015], and of which \$791,000,000 shall become available on October 1, 2014, and shall remain available through September 30, 2015] 2016: *Provided*, That of the amount provided for Adult Education State Grants, \$70,811,000 shall be made available for integrated English literacy and civics education services to immigrants and other limited-English-proficient populations: *Provided further*, That of the amount reserved for integrated English literacy and civics education, notwithstanding section 211 of the AEFLA, 65 percent shall be allocated to States based on a State's absolute need as determined by calculating each State's share of a 10-year average of the United States Citizenship and Immigration Services data for immigrants admitted for legal permanent residence for the 10 most recent years, and 35 percent allocated to States that experienced growth as measured by the average of the 3 most recent years for which United States Citizenship and Immigration Services data for immigrants admitted for legal permanent residence are available, except that no State shall be allocated an amount less than \$60,000: *Provided further*, That of the amounts made available for AEFLA, [\$13,712,000] \$33,712,000 shall be for national leadership activities under section 243. (*Department of Education Appropriations Act, 2014.*)

Program and Financing (in millions of dollars)

Identification code 91–0400–0–1–501	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0001 State grants	1,065	1,118	791
0002 National programs	8	7	
0091 Total, Career and technical education	1,073	1,125	791
0101 State grants	565	574	574
0102 National leadership activities	11	14	34
0191 Total, adult education	576	588	608
0900 Total new obligations	1,649	1,713	1,399
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	31	30	20
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	946	912	598
1130 Appropriations permanently reduced	–49		
1160 Appropriation, discretionary (total)	897	912	598
Advance appropriations, discretionary:			
1170 Advance appropriation from prior year	791	791	791
1173 Advance appropriations permanently reduced	–41		
1180 Advanced appropriation, discretionary (total)	750	791	791
Spending authority from offsetting collections, discretionary:			
1700 Collected	1		
1750 Spending auth from offsetting collections, disc (total)	1		
1900 Budget authority (total)	1,648	1,703	1,389
1930 Total budgetary resources available	1,679	1,733	1,409
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	30	20	10
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	1,469	1,325	1,393
3010 Obligations incurred, unexpired accounts	1,649	1,713	1,399
3020 Outlays (gross)	–1,786	–1,645	–1,425

3041 Recoveries of prior year unpaid obligations, expired	–7		
3050 Unpaid obligations, end of year	1,325	1,393	1,367
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	1,469	1,325	1,393
3200 Obligated balance, end of year	1,325	1,393	1,367
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	1,648	1,703	1,389
Outlays, gross:			
4010 Outlays from new discretionary authority	576	621	598
4011 Outlays from discretionary balances	1,210	1,024	827
4020 Outlays, gross (total)	1,786	1,645	1,425
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources	–1		
4180 Budget authority, net (total)	1,647	1,703	1,389
4190 Outlays, net (total)	1,785	1,645	1,425

Summary of Budget Authority and Outlays (in millions of dollars)

	2013 actual	2014 est.	2015 est.
Enacted/requested:			
Budget Authority	1,647	1,703	1,389
Outlays	1,785	1,645	1,425
Legislative proposal, not subject to PAYGO:			
Budget Authority			334
Outlays			17
Total:			
Budget Authority	1,647	1,703	1,723
Outlays	1,785	1,645	1,442

SUMMARY OF PROGRAM LEVEL

	2013–14 Academic Year	2014–15 Academic Year	2015–16 Academic Year
New Budget Authority	\$856	\$912	\$932
Advance Appropriation	791	791	791
Total program level	1,647	1,703	1,723
Change in advance appropriation over previous year	+1	0	0

The Administration is proposing legislation reauthorizing the Carl D. Perkins Career and Technical Education Act of 2006, including programs in this account. When new authorizing legislation is enacted, resources will be requested for these programs. See the "Legislative proposal, not subject to PAYGO" schedule for additional details.

Adult education:

State programs.—Funds support formula grants to States to help eliminate functional illiteracy among the Nation's adults, to assist adults in obtaining a high school diploma or its equivalent, and to promote family literacy. A portion of the funds is reserved for formula grants to States to provide English literacy and civics education for immigrants and other limited English proficient adults.

National leadership activities.—Funds support discretionary activities to evaluate the effectiveness of Federal, State, and local adult education programs, and to test and demonstrate methods of improving program quality. The additional funds requested in fiscal year 2015 would support new competitive Skills Challenge Grants for partnerships—among States, adult education providers, institutions of higher education, and private organizations, including industry representatives with identified regional or local workforce needs—that build evidence of effectiveness and demonstrate innovative models for transforming our adult education system.

Object Classification (in millions of dollars)

Identification code 91–0400–0–1–501	2013 actual	2014 est.	2015 est.
Direct obligations:			
25.5 Research and development contracts	15	17	28
25.7 Operation and maintenance of equipment		2	1

41.0	Grants, subsidies, and contributions	1,634	1,694	1,370
99.9	Total new obligations	1,649	1,713	1,399

CAREER, TECHNICAL AND ADULT EDUCATION
(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91-0400-2-1-501		2013 actual	2014 est.	2015 est.
Obligations by program activity:				
0001	State grants			327
0002	National programs			7
0900	Total new obligations			334
Budgetary Resources:				
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation			334
1160	Appropriation, discretionary (total)			334
1900	Budget authority (total)			334
1930	Total budgetary resources available			334
Change in obligated balance:				
Unpaid obligations:				
3010	Obligations incurred, unexpired accounts			334
3020	Outlays (gross)			-17
3050	Unpaid obligations, end of year			317
Memorandum (non-add) entries:				
3200	Obligated balance, end of year			317
Budget authority and outlays, net:				
Discretionary:				
4000	Budget authority, gross			334
Outlays, gross:				
4010	Outlays from new discretionary authority			17
4180	Budget authority, net (total)			334
4190	Outlays, net (total)			17

The resources in this schedule are proposed for later transmittal under proposed legislation to reauthorize the Carl D. Perkins Career and Technical Education Act of 2006.

Career and Technical Education:

State grants.—Funds would support formula grants to States for programs that focus on improving the academic achievement and career and technical skills of secondary and postsecondary students. Funds would also support projects to promote innovation in career and technical education.

National programs.—Funds would support discretionary activities to support research, evaluation, data collection, technical assistance, and other national leadership activities aimed at improving the quality and effectiveness of career and technical education.

Object Classification (in millions of dollars)

Identification code 91-0400-2-1-501		2013 actual	2014 est.	2015 est.
Direct obligations:				
25.5	Research and development contracts			6
25.7	Operation and maintenance of equipment			1
41.0	Grants, subsidies, and contributions			327
99.9	Total new obligations			334

OFFICE OF POSTSECONDARY EDUCATION

Federal Funds

HIGHER EDUCATION

For carrying out, to the extent not otherwise provided, titles II, III, IV, V, VI, VII, and VIII of the *Higher Education Act of 1965* (HEA), the Mutual Educational and Cultural Exchange Act of 1961, and section 117 of

the Carl D. Perkins Career and Technical Education Act of 2006, **[\$1,925,408,000] \$2,060,080,000: Provided, That [\$575,000] \$52,000,000 shall be used for data collection [and], evaluation, research, and demonstration activities [for] relating to programs under the HEA, including [such] activities [needed to comply with the Government Performance and Results Act of 1993] that are designed to test approaches for providing grant, loan, or work assistance under title IV of the HEA in ways that promote access to, and completion of, affordable and high-quality postsecondary education programs: Provided further, That, notwithstanding any other provision of law, funds made available in this Act to carry out title VI of the HEA and section 102(b)(6) of the Mutual Educational and Cultural Exchange Act of 1961 may be used to support visits and study in foreign countries by individuals who are participating in advanced foreign language training and international studies in areas that are vital to United States national security and who plan to apply their language skills and knowledge of these countries in the fields of government, the professions, or international development: Provided further, That of the funds referred to in the preceding proviso up to 1 percent may be used for program evaluation, national outreach, and information dissemination activities: [Provided further, That, of the amount available under subpart 2 of part A of title VII of the HEA, the Secretary may use up to \$1,485,000 to fund continuation awards for projects originally supported under subpart 1 of part A of title VII of the HEA:] Provided further, That, notwithstanding any other provision of law, funds made available for title VI of the HEA may be used for awards to support cross-border collaborations between consortia of U.S. institutions of higher education and Southeast Asian or Sub-Saharan African institutions of higher education, or with both, for mutually beneficial educational partnerships and the exchange of students: Provided further, That up to 1.5 percent of the funds made available under chapter 2 of subpart 2 of part A of title IV of the HEA may be used for evaluation: Provided further, That up to \$75,000,000 of the funds made available under this Act for part B of title VII of the HEA may be used for awards to institutions described in sections 316, 317, 318, 319, 320, 322, and 502 of the HEA to undertake reforms and pursue innovations to improve the performance of those institutions in enrolling and graduating low-income students. (Department of Education Appropriations Act, 2014.)**

Program and Financing (in millions of dollars)

Identification code 91-0201-0-1-502		2013 actual	2014 est.	2015 est.
Obligations by program activity:				
0001	Strengthening institutions	76	79	79
0002	Strengthening tribally controlled colleges and universities	53	53	55
0003	Strengthening Alaska Native and Native Hawaiian-serving institutions	24	26	27
0004	Strengthening historically Black colleges and universities	297	302	307
0005	Strengthening historically Black graduate institutions	56	58	58
0006	Masters degree programs for HBCUs and predominantly Black institutions	11	11	
0007	Strengthening predominantly Black institutions	24	23	24
0008	Strengthening Asian American and Native American Pacific Islander-serving institutions	8	8	8
0009	Strengthening Native American-serving nontribal institutions	8	8	8
0010	Minority science and engineering improvement	9	9	9
0091	Subtotal, aid for institutional development	566	577	575
0101	Developing Hispanic-serving institutions	95	99	99
0102	Developing Hispanic-serving institution STEM and articulation programs	100	93	100
0103	Promoting baccalaureate opportunities for Hispanic Americans	19	20	9
0104	International education and foreign language studies	70	72	76
0105	Fund for the Improvement of Postsecondary Education	3	79	175
0106	Model transition programs for students with intellectual disabilities into higher education	10	10	
0107	Tribally controlled postsecondary vocational and technical institutions	8	8	8
0108	Special programs for migrant students			37
0191	Subtotal, other aid for institutions	305	381	504
0201	Federal TRIO programs	796	838	838
0202	Gaining early awareness and readiness for undergraduate programs (GEAR UP)	286	302	302
0203	Graduate assistance in areas of national need	29	29	29
0204	Child care access means parents in school	15	15	15
0291	Subtotal, assistance for students	1,126	1,184	1,184
0301	Teacher quality partnerships	41	41	

HIGHER EDUCATION—Continued
Program and Financing—Continued

Identification code 91–0201–0–1–502		2013 actual	2014 est.	2015 est.
0302	GPRA data/HEA program evaluation	1	1	52
0303	College access challenge grants	72	139	.....
0391	Subtotal, other higher education activities	114	181	52
0900	Total new obligations	2,111	2,323	2,315
Budgetary Resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	1	.....	129
1012	Unobligated balance transfers between expired and unexpired accounts	132	129	124
1050	Unobligated balance (total)	133	129	253
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation	1,870	1,926	2,060
1130	Appropriations permanently reduced	–98	.....	.....
1160	Appropriation, discretionary (total)	1,772	1,926	2,060
Appropriations, mandatory:				
1200	Appropriation	428	397	255
1230	Appropriations and/or unobligated balance of appropriations permanently reduced	–22	.....	.....
1260	Appropriations, mandatory (total)	406	397	255
1900	Budget authority (total)	2,178	2,323	2,315
1930	Total budgetary resources available	2,311	2,452	2,568
Memorandum (non-add) entries:				
1940	Unobligated balance expiring	–200	.....	.....
1941	Unexpired unobligated balance, end of year .....	.....	129	253
Change in obligated balance:				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1	3,361	3,084	3,190
3010	Obligations incurred, unexpired accounts	2,111	2,323	2,315
3020	Outlays (gross)	–2,339	–2,217	–2,275
3041	Recoveries of prior year unpaid obligations, expired	–49	.....	.....
3050	Unpaid obligations, end of year	3,084	3,190	3,230
Memorandum (non-add) entries:				
3100	Obligated balance, start of year	3,361	3,084	3,190
3200	Obligated balance, end of year	3,084	3,190	3,230
Budget authority and outlays, net:				
Discretionary:				
4000	Budget authority, gross	1,772	1,926	2,060
Outlays, gross:				
4010	Outlays from new discretionary authority	37	58	62
4011	Outlays from discretionary balances	1,909	1,697	1,807
4020	Outlays, gross (total)	1,946	1,755	1,869
Mandatory:				
4090	Budget authority, gross	406	397	255
Outlays, gross:				
4100	Outlays from new mandatory authority .....	.....	12	8
4101	Outlays from mandatory balances	393	450	398
4110	Outlays, gross (total)	393	462	406
4180	Budget authority, net (total)	2,178	2,323	2,315
4190	Outlays, net (total)	2,339	2,217	2,275
Summary of Budget Authority and Outlays (in millions of dollars)				
		2013 actual	2014 est.	2015 est.
Enacted/requested:				
Budget Authority		2,178	2,323	2,315
Outlays		2,339	2,217	2,275
Legislative proposal, subject to PAYGO:				
Budget Authority .....		.....	.....	1,647
Outlays .....		.....	.....	143
Total:				
Budget Authority		2,178	2,323	3,962
Outlays		2,339	2,217	2,418

Aid for institutional development:

Strengthening institutions.—Funds support planning and development grants for improving academic programs and financial management at schools that enroll high proportions of disadvantaged students and have low per-student expenditures.

Strengthening tribally controlled colleges and universities.—Discretionary and mandatory funds support grants to American Indian tribally controlled colleges and universities with scarce resources to enable them to improve and expand their capacity to serve students and to strengthen management and fiscal operations.

Strengthening Alaska Native and Native Hawaiian-serving institutions.—Discretionary and mandatory funds support Alaska Native and Native Hawaiian-serving institutions to enable them to improve and expand their capacity to serve students and to strengthen management and fiscal operations.

Strengthening historically Black colleges and universities.—Discretionary and mandatory funds support grants to help historically Black undergraduate institutions to improve and expand their capacity to serve students and to strengthen management and fiscal operations.

Strengthening historically Black graduate institutions.—Funds support grants to help historically Black graduate institutions to improve and expand their capacity to serve students and to strengthen management and fiscal operations.

Strengthening predominantly Black institutions.—Discretionary and mandatory funds support grants to predominantly Black institutions to improve and expand their capacity to serve students.

Strengthening Asian American and Native American Pacific Islander-serving institutions.—Discretionary and mandatory funds support grants to help Asian American and Native American Pacific Islander-serving institutions improve and expand their capacity to serve students and to strengthen management and fiscal operations.

Strengthening Native American-serving nontribal institutions.—Discretionary and mandatory funds support grants to help Native American-serving nontribal institutions improve and expand their capacity to serve students and to strengthen management and fiscal operations.

Minority science and engineering improvement.—Funds support grants to predominantly minority institutions to help them make long-range improvements in science and engineering education and to increase the participation of minorities in scientific and technological careers.

Aid for Hispanic-serving institutions:

Developing Hispanic-serving institutions.—Funds support Hispanic-serving institutions to help them improve and expand their capacity to serve students.

Developing Hispanic-serving institutions STEM and articulation programs.—Mandatory funds support Hispanic-serving institutions to help them improve and expand their capacity to serve students with priority given to applications that propose to increase the number of Hispanics and other low-income students attaining degrees in the fields of science, technology, engineering, or mathematics; and to develop model transfer and articulation agreements between 2-year Hispanic-serving institutions and 4-year institutions in such fields.

Promoting postbaccalaureate opportunities for Hispanic Americans.—Discretionary funds support Hispanic-serving Institutions to help them expand and improve postbaccalaureate educational opportunities.

Other aid for institutions:

International education and foreign language studies programs.—Funds promote the development and improvement of domestic and overseas international and foreign language programs.

Fund for the improvement of postsecondary education.—Funds would support the First in the World initiative, which would de-

velop and test innovative strategies and practices that improve college completion rates and make college more affordable, particularly for low-income students. Funds would also support College Success Grants to minority-serving institutions to develop sustainable strategies to reduce costs and improve student outcomes.

Tribally controlled postsecondary career and technical institutions.—Funds support the operation and improvement of eligible tribally controlled postsecondary career institutions to ensure continued and expanded educational opportunities for Indian students.

Special programs for migrant students.—Funds support grants to institutions of higher education and nonprofit organizations that assist migrant students in earning a high school equivalency certificate or in completing their first year of college.

Assistance for students:

Federal TRIO programs.—Funds support postsecondary education outreach and student support services to help individuals from disadvantaged backgrounds prepare for, enter, and complete college and graduate studies.

Gaining early awareness and readiness for undergraduate programs.—Funds support early college preparation and awareness activities at the State and local levels to ensure that low-income elementary and secondary school students are prepared for and pursue postsecondary education.

Graduate assistance in areas of national need.—Funds support fellowships to graduate students of superior ability who have financial need for study in areas of national need.

Child care access means parents in school.—Funds support a program designed to bolster the participation of low-income parents in postsecondary education through the provision of campus-based child care services.

Other activities:

GPRA data/HEA program evaluation.—Funds support data collection, evaluation, research, and demonstration activities relating to programs under the HEA.

Object Classification (in millions of dollars)

Identification code 91–0201–0–1–502	2013 actual	2014 est.	2015 est.
Direct obligations:			
25.1 Advisory and assistance services	3	5	56
25.2 Other services from non-Federal sources	2	7	6
25.7 Operation and maintenance of equipment	2	1	1
41.0 Grants, subsidies, and contributions	2,104	2,310	2,252
99.9 Total new obligations	2,111	2,323	2,315

HIGHER EDUCATION

(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91–0201–4–1–502	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0001 State higher education performance (SHEP) fund			1,000
0002 College opportunity and graduation bonuses			647
0900 Total new obligations (object class 41.0)			1,647
Budgetary Resources:			
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation			1,647
1260 Appropriations, mandatory (total)			1,647
1930 Total budgetary resources available			1,647
Change in obligated balance:			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts			1,647

3020 Outlays (gross)			–143
3050 Unpaid obligations, end of year			1,504
Memorandum (non-add) entries:			
3200 Obligated balance, end of year			1,504
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross			1,647
Outlays, gross:			
4100 Outlays from new mandatory authority			143
4180 Budget authority, net (total)			1,647
4190 Outlays, net (total)			143

State higher education performance fund.—Funds are provided for a new competitive grant program for States to support, reform, and improve the performance of their public higher education systems. This program would call on States to make college more affordable and increase college access and success, especially for low-income students.

College opportunity and graduation bonus.—Funds would support a program to reward colleges that successfully enroll and graduate a significant number of low- and moderate-income students on time and encourage all institutions to improve their performance.

HOWARD UNIVERSITY

For partial support of Howard University, \$221,821,000, of which not less than \$3,405,000 shall be for a matching endowment grant pursuant to the Howard University Endowment Act and shall remain available until expended. (*Department of Education Appropriations Act, 2014.*)

Program and Financing (in millions of dollars)

Identification code 91–0603–0–1–502	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0001 General support	195	195	195
0002 Howard University Hospital	27	27	27
0900 Total new obligations (object class 41.0)	222	222	222
Budgetary Resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	234	222	222
1130 Appropriations permanently reduced	–12		
1160 Appropriation, discretionary (total)	222	222	222
1930 Total budgetary resources available	222	222	222
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	4	4	13
3010 Obligations incurred, unexpired accounts	222	222	222
3020 Outlays (gross)	–222	–213	–222
3050 Unpaid obligations, end of year	4	13	13
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	4	4	13
3200 Obligated balance, end of year	4	13	13
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	222	222	222
Outlays, gross:			
4010 Outlays from new discretionary authority	218	209	209
4011 Outlays from discretionary balances	4	4	13
4020 Outlays, gross (total)	222	213	222
4180 Budget authority, net (total)	222	222	222
4190 Outlays, net (total)	222	213	222

Howard University is a private, nonprofit educational institution consisting of 12 schools and colleges. Federal funds are used to provide partial support for university programs as well as for the

HOWARD UNIVERSITY—Continued

teaching hospital facilities. In 2013, Federal funding represented approximately 38 percent of the university's revenue.

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM

For Federal administrative expenses to carry out activities related to existing facility loans pursuant to section 121 of the HEA, \$435,000. (*Department of Education Appropriations Act, 2014.*)

HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING PROGRAM ACCOUNT

For the cost of guaranteed loans, \$19,096,000, as authorized pursuant to part D of title III of the HEA, which shall remain available through September 30, [2015] 2016: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed \$303,593,000: *Provided further*, That these funds may be used to support loans to public and private Historically Black Colleges and Universities without regard to the limitations within section 344(a) of the HEA.

In addition, for administrative expenses to carry out the Historically Black College and University Capital Financing Program entered into pursuant to part D of title III of the HEA, \$334,000. (*Department of Education Appropriations Act, 2014.*)

Program and Financing (in millions of dollars)

Identification code 91-0241-0-1-502	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
Credit program obligations:			
0701 Direct loan subsidy	14	19	20
0705 Reestimates of direct loan subsidy	1	36	.....
0709 Administrative expenses .....	.....	1	1
0900 Total new obligations (object class 41.0)	15	56	21
Budgetary Resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	19	20	21
1160 Appropriation, discretionary (total)	19	20	21
Appropriations, mandatory:			
1200 Appropriation	1	36	.....
1260 Appropriations, mandatory (total)	1	36	.....
1900 Budget authority (total)	20	56	21
1930 Total budgetary resources available	20	56	21
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	-5	.....	.....
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	35	35	39
3010 Obligations incurred, unexpired accounts	15	56	21
3020 Outlays (gross)	-15	-52	-16
3050 Unpaid obligations, end of year	35	39	44
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	35	35	39
3200 Obligated balance, end of year	35	39	44
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	19	20	21
Outlays, gross:			
4010 Outlays from new discretionary authority	9	5	5
4011 Outlays from discretionary balances	5	11	11
4020 Outlays, gross (total)	14	16	16
Mandatory:			
4090 Budget authority, gross	1	36	.....
Outlays, gross:			
4100 Outlays from new mandatory authority	1	36	.....
4180 Budget authority, net (total)	20	56	21
4190 Outlays, net (total)	15	52	16

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 91-0241-0-1-502	2013 actual	2014 est.	2015 est.
Direct loan levels supportable by subsidy budget authority:			
115002 Historically Black Colleges and Universities	215	303	340
115999 Total direct loan levels	215	303	340
Direct loan subsidy (in percent):			
132002 Historically Black Colleges and Universities	6.29	3.09	5.94
132999 Weighted average subsidy rate	6.29	3.09	5.94
Direct loan subsidy budget authority:			
133002 Historically Black Colleges and Universities	13	19	20
133999 Total subsidy budget authority	13	19	20
Direct loan subsidy outlays:			
134002 Historically Black Colleges and Universities	13	7	11
134999 Total subsidy outlays	13	7	11
Direct loan upward reestimates:			
135002 Historically Black Colleges and Universities	1	32	.....
135003 HBCU Hurricane Supplemental .....	.....	4	.....
135999 Total upward reestimate budget authority	1	36	.....
Direct loan downward reestimates:			
137001 College housing and academic facilities loans	-1	.....	.....
137002 Historically Black Colleges and Universities	-27	-20	.....
137003 HBCU Hurricane Supplemental	-171	-18	.....
137999 Total downward reestimate budget authority	-199	-38	.....
Administrative expense data:			
3510 Budget authority	1	1	1

As required by the Federal Credit Reform Act of 1990, this account records the subsidy costs associated with the direct loans obligated and loan guarantees committed in 1992 and beyond, as well as any administrative expenses for the College Housing and Academic Facilities Loans Program and the Historically Black College and University Capital Financing Program. The subsidy amounts are estimated on a present value basis; the administrative expenses are on a cash basis. These programs are administered separately but consolidated in the Budget for presentation purposes.

College housing and academic facilities loans program.—Funds for this activity pay the Federal costs of administering the College Housing and Academic Facilities Loans (CHAFL), College Housing Loans (CHL), and Higher Education Facilities Loans (HEFL) programs. Prior to 1994, these programs provided financing for the construction, reconstruction, and renovation of housing, academic, and other educational facilities. Although no new loans have been awarded since 1993, the Department of Education will incur costs for administering the outstanding loans through 2030.

Historically black college and university capital financing program.—The Historically Black College and University (HBCU) Capital Financing Program provides HBCUs with access to capital financing for the repair, renovation, and construction of classrooms, libraries, laboratories, dormitories, instructional equipment, and research instrumentation. The authorizing statute gives the Department authority to enter into insurance agreements with a private for-profit Designated Bonding Authority. The bonding authority issues the loans and maintains an escrow account in which 5 percent of each institution's principal is deposited. The Budget requests \$19.1 million in new loan subsidies, allowing the program to guarantee an estimated \$322 million in new loans in 2015. The Budget also requests a 2-year period of availability for this loan subsidy. In addition, the Budget requests funds for the Federal costs of administering the program and providing technical assistance activities that improve the financial stability of HBCUs.

Employment Summary

Identification code 91–0241–0–1–502	2013 actual	2014 est.	2015 est.
1001 Direct civilian full-time equivalent employment	4	4	4

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 91–4252–0–3–502	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
Credit program obligations:			
0713 Payment of interest to Treasury	1	1	1
0743 Interest on downward reestimates	1	.....	.....
0900 Total new obligations	2	1	1
Budgetary Resources:			
Financing authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected	2	1	1
1850 Spending auth from offsetting collections, mand (total)	2	1	1
1930 Total budgetary resources available	2	1	1
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	.....	1	1
3010 Obligations incurred, unexpired accounts	2	1	1
3020 Financing disbursements (gross)	–1	–1	–1
3050 Unpaid obligations, end of year	1	1	1
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	.....	1	1
3200 Obligated balance, end of year	1	1	1
Financing authority and disbursements, net:			
Mandatory:			
4090 Financing authority, gross	2	1	1
Financing disbursements:			
4110 Financing disbursements, gross	1	1	1
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4123 Interest repayments	–2	–1	–1
4190 Financing disbursements, net (total)	–1	.....	.....

Status of Direct Loans (in millions of dollars)

Identification code 91–4252–0–3–502	2013 actual	2014 est.	2015 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	10	10	10
1251 Repayments: Repayments and prepayments .....	.....	.....	.....
1290 Outstanding, end of year	10	10	10

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligated in 1992 and 1993. The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 91–4252–0–3–502	2012 actual	2013 actual
ASSETS:		
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	10	10
1405 Allowance for subsidy cost (-)	–2	–2
1499 Net present value of assets related to direct loans	8	8
1999 Total assets	8	8
LIABILITIES:		
2103 Federal liabilities: Debt	8	8

4999 Total liabilities and net position	8	8
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COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 91–0242–0–1–502	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
Credit program obligations:			
0713 Payment of interest to Treasury	4	4	4
0900 Total new obligations (object class 43.0)	4	4	4
Budgetary Resources:			
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation	1	1	1
1260 Appropriations, mandatory (total)	1	1	1
Spending authority from offsetting collections, mandatory:			
1800 Collected	27	26	26
1820 Capital transfer of spending authority from offsetting collections to general fund	–18	–19	–19
1825 Spending authority from offsetting collections applied to repay debt	–6	–4	–4
1850 Spending auth from offsetting collections, mand (total)	3	3	3
1900 Budget authority (total)	4	4	4
1930 Total budgetary resources available	4	4	4
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	1	1	1
3010 Obligations incurred, unexpired accounts	4	4	4
3020 Outlays (gross)	–4	–4	–4
3050 Unpaid obligations, end of year	1	1	1
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	1	1	1
3200 Obligated balance, end of year	1	1	1
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross	4	4	4
Outlays, gross:			
4100 Outlays from new mandatory authority	4	4	4
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4123 Non-Federal sources	–27	–26	–26
4180 Budget authority, net (total)	–23	–22	–22
4190 Outlays, net (total)	–23	–22	–22

Status of Direct Loans (in millions of dollars)

Identification code 91–0242–0–1–502	2013 actual	2014 est.	2015 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	136	132	128
1251 Repayments: Repayments and prepayments	–4	–4	–4
1290 Outstanding, end of year	132	128	124

As required by the Federal Credit Reform Act of 1990, the College Housing and Academic Facilities Loans Liquidating Account records all cash flows to and from the Government resulting from direct loans obligated prior to 1992. This account includes loans made under the College Housing and Academic Facilities Loans, College Housing Loans, and Higher Education Facilities Loans programs, which continue to be administered separately.

Balance Sheet (in millions of dollars)

Identification code 91–0242–0–1–502	2012 actual	2013 actual
ASSETS:		
1601 Direct loans, gross	136	132
1602 Interest receivable	6	6
1699 Value of assets related to direct loans	142	138
1999 Total assets	142	138

**COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS LIQUIDATING
ACCOUNT—Continued
Balance Sheet—Continued**

Identification code 91–0242–0–1–502	2012 actual	2013 actual
LIABILITIES:		
Federal liabilities:		
2103 Debt	46	42
2104 Resources payable to Treasury	96	96
2999 Total liabilities	142	138
4999 Total liabilities and net position	142	138

**HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING DIRECT
LOAN FINANCING ACCOUNT**

Program and Financing (in millions of dollars)

Identification code 91–4255–0–3–502	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0004 Interest paid to Treasury (FFB)	27	27	27
Credit program obligations:			
0710 Direct loan obligations	215	303	340
0742 Downward reestimate paid to receipt account	126	.....	.....
0743 Interest on downward reestimates	72	39	.....
0791 Direct program activities, subtotal	413	342	340
0900 Total new obligations	440	369	367
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	414	243	256
Financing authority:			
Appropriations, mandatory:			
1200 Appropriation	5	.....	.....
1260 Appropriations, mandatory (total)	5	.....	.....
Borrowing authority, mandatory:			
1400 Borrowing authority	215	303	341
1440 Borrowing authority, mandatory (total)	215	303	341
Spending authority from offsetting collections, mandatory:			
1800 Collected	68	117	84
1825 Spending authority from offsetting collections applied to repay debt	–19	–38	–41
1850 Spending auth from offsetting collections, mand (total)	49	79	43
1900 Financing authority (total)	269	382	384
1930 Total budgetary resources available	683	625	640
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	243	256	273
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	270	260	260
3010 Obligations incurred, unexpired accounts	440	369	367
3020 Financing disbursements (gross)	–450	–369	–222
3050 Unpaid obligations, end of year	260	260	405
Uncollected payments:			
3060 Uncollected pymts, Fed sources, brought forward, Oct 1	–22	–22	–22
3090 Uncollected pymts, Fed sources, end of year	–22	–22	–22
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	248	238	238
3200 Obligated balance, end of year	238	238	383

Financing authority and disbursements, net:

Mandatory:			
4090 Financing authority, gross	269	382	384
Financing disbursements:			
4110 Financing disbursements, gross	450	369	222
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Federal sources	–14	–43	–11
4122 Interest on uninvested funds	–12	–17	–9
4123 Interest repayments	–42	–19	–23
4123 Principal repayments .....	.....	–38	–41

4130 Offsets against gross financing auth and disbursements (total)	–68	–117	–84
4160 Financing authority, net (mandatory)	201	265	300
4170 Financing disbursements, net (mandatory)	382	252	138
4180 Financing authority, net (total)	201	265	300
4190 Financing disbursements, net (total)	382	252	138

Status of Direct Loans (in millions of dollars)

Identification code 91–4255–0–3–502	2013 actual	2014 est.	2015 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans	368	303	340
1142 Unobligated direct loan limitation (-)	–153	.....	.....
1150 Total direct loan obligations	215	303	340
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	929	1,128	1,213
1231 Disbursements: Direct loan disbursements	215	123	191
1251 Repayments: Repayments and prepayments	–16	–38	–41
1290 Outstanding, end of year	1,128	1,213	1,363

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Federal Government resulting from direct loans obligated in 1996 and beyond. The Federal Financing Bank (FFB) purchases bonds issued by the HBCU Designated Bonding Authority. Under the policies governing Federal credit programs, bonds purchased by the FFB and supported by the Department of Education with a letter of credit create the equivalent of a Federal direct loan. HBCU bonds are also available for purchase by the private sector, and these will be treated as loan guarantees. However, the Department anticipates that all HBCU loans will be financed by the FFB. The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 91–4255–0–3–502	2012 actual	2013 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	365	194
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	929	1,128
1402 Interest receivable	6	8
1405 Allowance for subsidy cost (-)	–365	–194
1499 Net present value of assets related to direct loans	570	942
1999 Total assets	935	1,136
LIABILITIES:		
Federal liabilities:		
2102 Interest payable	6	8
2103 Debt	929	1,128
2999 Total liabilities	935	1,136
4999 Total liabilities and net position	935	1,136

OFFICE OF FEDERAL STUDENT AID

Federal Funds

STUDENT FINANCIAL ASSISTANCE

For carrying out subparts 1, 3, and 10 of part A, and part C of title IV of the HEA, \$24,486,210,000, which shall remain available through September 30, **[2015]** 2016: *Provided, That, of amounts provided under this heading, \$1,438,000,000 shall also be available for Pell Grants for award year 2016–2017.*

The maximum Pell Grant for which a student shall be eligible during award year **[2014–2015]** 2015–2016 shall be \$4,860. (*Department of Education Appropriations Act, 2014.*)

Program and Financing (in millions of dollars)

Identification code 91–0200–0–1–502	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0101 Federal Pell grants	31,887	34,154	33,906
0201 Federal supplemental educational opportunity grants (SEOG)	698	734	733
0202 Federal work-study	934	975	975
0291 Campus-based activities - Subtotal	1,632	1,709	1,708
0900 Total new obligations (object class 41.0)	33,519	35,863	35,614
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	8,464	11,894	6,684
1001 Discretionary unobligated balance brought fwd, Oct 1	52	4,308	.....
1021 Recoveries of prior year unpaid obligations	109	.....	.....
1050 Unobligated balance (total)	8,573	11,894	6,684
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	24,535	24,486	24,486
1130 Appropriations permanently reduced	–135	.....	.....
1160 Appropriation, discretionary (total)	24,400	24,486	24,486
Appropriations, mandatory:			
1200 Appropriation	12,441	6,167	6,396
1260 Appropriations, mandatory (total)	12,441	6,167	6,396
1900 Budget authority (total)	36,841	30,653	30,882
1930 Total budgetary resources available	45,414	42,547	37,566
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	–1	.....	.....
1941 Unexpired unobligated balance, end of year	11,894	6,684	1,952
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	23,468	22,727	25,624
3010 Obligations incurred, unexpired accounts	33,519	35,863	35,614
3011 Obligations incurred, expired accounts	85	.....	.....
3020 Outlays (gross)	–34,037	–32,966	–34,248
3040 Recoveries of prior year unpaid obligations, unexpired	–109	.....	.....
3041 Recoveries of prior year unpaid obligations, expired	–199	.....	.....
3050 Unpaid obligations, end of year	22,727	25,624	26,990
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	23,468	22,727	25,624
3200 Obligated balance, end of year	22,727	25,624	26,990
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	24,400	24,486	24,486
Outlays, gross:			
4010 Outlays from new discretionary authority	1,321	6,161	5,787
4011 Outlays from discretionary balances	16,954	21,421	19,778
4020 Outlays, gross (total)	18,275	27,582	25,565
Mandatory:			
4090 Budget authority, gross	12,441	6,167	6,396
Outlays, gross:			
4100 Outlays from new mandatory authority	1,559	1,604	1,663
4101 Outlays from mandatory balances	14,203	3,780	7,020
4110 Outlays, gross (total)	15,762	5,384	8,683
4180 Budget authority, net (total)	36,841	30,653	30,882
4190 Outlays, net (total)	34,037	32,966	34,248

Summary of Budget Authority and Outlays (in millions of dollars)

	2013 actual	2014 est.	2015 est.
Enacted/requested:			
Budget Authority	36,841	30,653	30,882
Outlays	34,037	32,966	34,248
Legislative proposal, subject to PAYGO:			
Budget Authority .....	.....	.....	1
Total:			
Budget Authority	36,841	30,653	30,883
Outlays	34,037	32,966	34,248

Status of Direct Loans (in millions of dollars)

Identification code 91–0200–0–1–502	2013 actual	2014 est.	2015 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	303	317	311

1251 Repayments: Repayments and prepayments	–37	–25	–24
Write-offs for default:			
1263 Direct loans .....	.....	–1	–1
1264 Other adjustments, net (+ or –)	51	20	20
1290 Outstanding, end of year	317	311	306

Notes.—Figures include, in all years, institutional matching share of defaulted notes assigned from institutions to the Education Department.

Funding from the Student Financial Assistance account and related matching funds would provide nearly 11.7 million awards totaling more than \$37.0 billion in available aid in award year 2015–2016. In addition, the request would provide \$4.1 billion in aid to an estimated 766,000 students through an expanded Perkins loan program.

Federal Pell grants.—Pell Grants are the single largest source of grant aid for postsecondary education. Funding for this program is provided from two sources: discretionary appropriations and mandatory budget authority provided by the College Cost Reduction and Access Act, as amended; the Budget Control Act; and changes to the Higher Education Act of 1965 made in the 2012 appropriations act.

In 2015, nearly 8.9 million undergraduates will receive up to \$4,860 from the discretionary award and an additional \$970 from the mandatory add-on to help pay for postsecondary education. Undergraduate students establish eligibility for these grants under award and need determination rules set out in the authorizing statute and annual appropriations act. The 2015 Budget request includes \$22.8 billion in discretionary funding for Pell Grants in 2015, which, when combined with previously provided mandatory funding, will support a projected maximum award of \$5,830. Additionally, the Budget proposes to: strengthen academic progress requirements in the Pell Grant program to encourage students to complete their studies on time; and, reinstate the Ability to Benefit provision for students enrolled in eligible career pathways programs.

Federal supplemental educational opportunity grants (SEOG).—Federal funds are awarded by formula to qualifying institutions, which use these funds to award grants to undergraduate students. While institutions have discretion in awarding these funds, they are required to give priority to Pell Grant recipients and other students with exceptional need. The Federal share of these grants cannot exceed 75 percent of the total grant. The 2015 Budget includes \$733 million for SEOG, which would generate \$975 million in aid to 1.6 million students.

Federal work-study.—Federal funds are awarded by formula to qualifying institutions, which provide part-time jobs to eligible undergraduate and graduate students. Hourly earnings under this program must be at least the Federal minimum wage. Federal funding, in most cases, pays 75 percent of a student's hourly wages, with the remaining 25 percent paid by the employer. The Federal Work-Study program also requires participating institutions to use at least 7 percent of their total funds for students employed in community service jobs. The 2015 Budget includes \$975 million for Work-Study, which would generate \$1.16 billion in aid to 690,000 students.

Federal Perkins loans.—Institutions award low-interest loans from institutional revolving funds, which are comprised of Federal Capital Contributions, institutional matching funds, and student repayments on outstanding loans. No new Federal Capital Contributions have been appropriated since 2004. The Budget proposes to modernize and expand the Perkins Loan program so more colleges can participate and more students can access these loans. The proposal would increase, beginning on July 1, 2015, the annual loan amounts available to students to \$8.5 billion from the current \$1 billion. Rather than operating through insti-

STUDENT FINANCIAL ASSISTANCE—Continued

tutional revolving funds, the Federal Government would originate and service Perkins Loans. Loan volume would be allocated among degree-granting institutions. This new formula will encourage colleges to control costs and offer need-based aid to prevent excessive indebtedness. Schools would have some discretion about student eligibility. Perkins Loan borrowers would be charged the same interest rate as Unsubsidized Stafford Loan borrowers. Perkins loans would accrue interest while students are in school, and other loan terms and conditions would be the same as current Unsubsidized Stafford loans. As current Perkins Loan borrowers repay their loans, schools would remit the Federal share of those payments to the Department of Education, beginning at the statutory date described in the Higher Education Act of 1965. Schools would retain their own share of the revolving funds, as well as amounts sufficient to cover the costs of the various Perkins Loan forgiveness provisions. Mandatory loan subsidy costs of this proposal would reduce 2015 outlays by \$395 million, savings which would be redirected to the Pell Grant program to help maintain the maximum Pell award. Subsidy costs are displayed in the Federal Perkins Loan program account.

Iraq and Afghanistan service grants.—This program provides non-need-based grants to students whose parent or guardian was a member of the Armed Forces and died in Iraq or Afghanistan as a result of performing military service after September 11, 2001. Service Grants are equal to the maximum Pell Grant for a given award year. The Administration anticipates spending \$355,000 to support an estimated maximum of 1,000 awards in 2015.

Funding tables.—The following tables display student aid funds available, the number of aid awards, average awards, and the unduplicated count of recipients from each Federal student aid program. Loan amounts reflect the amount actually loaned to borrowers, not the Federal cost of these loans. The data in these tables include matching funds wherever appropriate. The 2015 data in these tables reflect the Administration's legislative proposals.

AID FUNDS AVAILABLE FOR POSTSECONDARY EDUCATION AND TRAINING

	[in thousands of dollars]		
	2013	2014	2015
Pell grants	\$32,351,695	\$32,958,445	\$33,876,730
Student loans:			
Direct student loans:			
Stafford loans	27,398,000	26,225,832	25,984,387
Unsubsidized Stafford loans	55,873,473	54,662,785	55,775,687
PLUS	17,984,396	18,758,609	19,794,562
Consolidation	27,502,813	25,447,170	26,963,417
Perkins loans	1,010,640	1,010,640	1,010,640
Unsubsidized Perkins loans	0	0	4,113,423
Student loans, subtotal	129,769,321	126,105,035	133,642,116
Work-study	1,100,271	1,158,676	1,158,676
Supplemental educational opportunity grants	926,107	975,268	975,268
Iraq and Afghanistan service grants	273	341	418
TEACH grants	93,022	96,323	98,475
Total aid available	164,240,690	161,294,088	169,751,683

NUMBER OF AID AWARDS

	[in thousands]		
	2013	2014	2015
Pell grants	8,861	8,711	8,854
Direct student loans—Stafford loans	8,525	8,069	7,944
Direct student loans—Unsubsidized Stafford loans	10,408	9,861	9,824
Direct student loans—PLUS	1,307	1,310	1,318
Direct student loans—Consolidation	670	511	523
Perkins loans	500	500	500
Unsubsidized Perkins loans	0	0	766
Work-study	656	690	690
Supplemental educational opportunity grants	1,545	1,627	1,627
Iraq and Afghanistan service grants	0 ¹	0 ¹	0 ¹
TEACH grants	32	34	34

Total awards	32,504	31,313	32,081
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¹Number of recipients is fewer than 1,000.

AVERAGE AID AWARDS

	[in whole dollars]		
	2013	2014	2015
Pell grants	\$3,651	\$3,784	\$3,826
Direct student loans—Stafford loans	3,214	3,250	3,271
Direct student loans—Unsubsidized Stafford loans	5,368	5,543	5,677
Direct student loans—PLUS	13,757	14,320	15,022
Direct student loans—Consolidation	41,080	49,823	51,554
Perkins loans	2,022	2,022	2,022
Unsubsidized Perkins loans	0	0	5,368
Work-study	1,678	1,678	1,678
Supplemental educational opportunity grants	599	599	599
Iraq and Afghanistan service grants	5,056	5,328	5,726
TEACH grants	2,873	2,861	2,886

NUMBER OF STUDENTS AIDED

	[in thousands]		
	2013	2014	2015
Unduplicated student count	13,395	12,852	12,838

ADMINISTRATIVE PAYMENTS TO INSTITUTIONS

	[in thousands of dollars]		
	2013	2014	2015
Pell grants	\$44,305	\$43,555	\$44,270
Work-study	40,551	42,703	42,703
Supplemental educational opportunity grants	13,802	14,535	14,535
Perkins loans	52,383	52,383	52,383

STUDENT FINANCIAL ASSISTANCE

(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91–0200–4–1–502	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0001 Federal Pell grants			1
0900 Total new obligations (object class 41.0)			1
Budgetary Resources:			
Budget authority:			
Appropriations, mandatory:			
Appropriation			1
1200			
1260 Appropriations, mandatory (total)			1
1930 Total budgetary resources available			1
Change in obligated balance:			
Unpaid obligations:			
Obligations incurred, unexpired accounts			1
3010			
3050 Unpaid obligations, end of year			1
Memorandum (non-add) entries:			
Obligated balance, end of year			1
3200			
Budget authority and outlays, net:			
Mandatory:			
Budget authority, gross			1
4090			
4180 Budget authority, net (total)			1

STUDENT AID ADMINISTRATION

For Federal administrative expenses to carry out part D of title I, and subparts 1, 3, 9, and 10 of part A, and parts B, C, D, and E of title IV of the HEA, and subpart 1 of part A of title VII of the Public Health Service Act, **[\$1,166,000,000] \$1,446,924,000**, to remain available until September 30, **[2015] 2016**. (*Department of Education Appropriations Act, 2014.*)

Program and Financing (in millions of dollars)

Identification code 91–0202–0–1–502	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0001 Student aid administration	988	890	675

0002	Discretionary servicing activities	383	503	772
0900	Total new obligations	1,371	1,393	1,447
Budgetary Resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	72	56	57
1001	Discretionary unobligated balance brought fwd, Oct 1	72	56	.....
1021	Recoveries of prior year unpaid obligations	21	.....	.....
1050	Unobligated balance (total)	93	56	57
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation	1,044	1,166	1,447
1120	Appropriations transferred to other accts [91–1400]	–1	.....	.....
1120	Appropriations transferred to other accts [91–0800]	–8	.....	.....
1120	Appropriations transferred to other accts [91–0700]	–1	.....	.....
1121	Appropriations transferred from other accts [75–0340] .....	.....	1	.....
1130	Appropriations permanently reduced	–55	.....	.....
1160	Appropriation, discretionary (total)	979	1,167	1,447
Appropriations, mandatory:				
1200	Appropriation	373	258	.....
1230	Appropriations and/or unobligated balance of appropriations permanently reduced	–18	–31	.....
1260	Appropriations, mandatory (total)	355	227	.....
1900	Budget authority (total)	1,334	1,394	1,447
1930	Total budgetary resources available	1,427	1,450	1,504
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	56	57	57
Change in obligated balance:				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1	575	604	788
3010	Obligations incurred, unexpired accounts	1,371	1,393	1,447
3020	Obligations (gross)	–1,312	–1,209	–1,360
3040	Recoveries of prior year unpaid obligations, unexpired	–21	.....	.....
3041	Recoveries of prior year unpaid obligations, expired	–9	.....	.....
3050	Unpaid obligations, end of year	604	788	875
Memorandum (non-add) entries:				
3100	Obligated balance, start of year	575	604	788
3200	Obligated balance, end of year	604	788	875
Budget authority and outlays, net:				
Discretionary:				
4000	Budget authority, gross	979	1,167	1,447
Outlays, gross:				
4010	Outlays from new discretionary authority	505	646	782
4011	Outlays from discretionary balances	490	357	467
4020	Outlays, gross (total)	995	1,003	1,249
Mandatory:				
4090	Budget authority, gross	355	227	.....
Outlays, gross:				
4100	Outlays from new mandatory authority	220	109	.....
4101	Outlays from mandatory balances	97	97	111
4110	Outlays, gross (total)	317	206	111
4180	Budget authority, net (total)	1,334	1,394	1,447
4190	Outlays, net (total)	1,312	1,209	1,360

The Department of Education manages Federal student aid programs that will provide nearly \$143 billion in new Federal student aid grants and loans to 12.8 million students and parents in 2015. The Offices of Postsecondary Education, the Under Secretary and Federal Student Aid (FSA) are primarily responsible for administering the Federal student financial assistance programs. FSA was created by Congress in 1998 with a mandate to improve service to students and other student aid program participants, reduce student aid administration costs, and improve accountability and program integrity.

Student Aid Administration

The 2015 Budget includes \$675 million for student aid administration activities and \$772 million for loan servicing activities, for a total of \$1.447 billion in discretionary budget authority. Administrative functions supported by these discretionary funds include: processing student aid applications; providing and tracking aid awards to students, parents, and schools; servicing

the Department's loan portfolio; promoting efforts to reach key student populations; and simplifying the student aid application. *Servicing Cost Assumptions:*

The following table details the major assumptions driving servicing costs for Federal student loans. Servicing costs are largely determined by volume (average borrower accounts per month) and the average contractual unit costs negotiated to service the volume. Average borrower accounts per month are calculated by the distribution of new unique borrower accounts to one of the multiple servicers contracted with the Department. Currently, the Department contracts with 11 servicers, through the Title IV Additional Servicers (TIVAS) contract and the new Not-For-Profit Servicers (NFP) contract. The average unit cost to service each borrower is derived by contractual pricing schedules based on different borrower statuses (e.g., in-school, in-grace/current repayment, deferment/forbearance, and delinquency). Differences in distribution among loan statuses will affect overall unit costs due to different pricing for different statuses (e.g., in-repayment borrowers cost more to service than in-school borrowers).

Trends in Assumptions:

From passage of SAFRA through December 26, 2013, servicing activities were funded both by discretionary funds and mandatory funds (as provided by SAFRA for eligible NFP servicers. However, the Bipartisan Budget Act of 2013 eliminated mandatory funding for servicing costs paid to NFP servicers, instead requiring all servicing costs after the date of enactment to be funded by discretionary budget authority.)

Student Aid Administration Servicing Variables

	2013	2014	2015
TIVAS Servicers Average Borrower Accounts per Month	28,499,657	31,185,537	34,397,002
TIVAS Servicers Average Unit Cost per Month (whole dollars)	\$1.66	\$1.67	\$1.67
Not-For-Profit Servicers Average Borrower Accounts per Month	3,229,467	3,027,353	2,901,798
Not-For-Profit Servicers Average Unit Cost per Month (whole dollars)	\$2.24	\$2.22	\$2.00

Object Classification (in millions of dollars)

Identification code 91–0202–0–1–502	2013 actual	2014 est.	2015 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	134	139	140
11.3 Other than full-time permanent	1	.....	.....
11.5 Other personnel compensation	2	2	2
11.9 Total personnel compensation	137	141	142
12.1 Civilian personnel benefits	39	39	39
21.0 Travel and transportation of persons	2	3	3
23.1 Rental payments to GSA	19	19	19
24.0 Printing and reproduction	1	2	2
25.1 Advisory and assistance services	6	5	5
25.2 Other services from non-Federal sources	762	806	838
25.3 Other goods and services from Federal sources	19	16	21
25.7 Operation and maintenance of equipment	384	361	378
31.0 Equipment	2	.....	.....
99.0 Direct obligations	1,371	1,392	1,447
99.5 Below reporting threshold .....	.....	1	.....
99.9 Total new obligations	1,371	1,393	1,447

Employment Summary

Identification code 91–0202–0–1–502	2013 actual	2014 est.	2015 est.
1001 Direct civilian full-time equivalent employment	1,296	1,320	1,320

ACADEMIC COMPETITIVENESS/SMART GRANT PROGRAM

Program and Financing (in millions of dollars)

Identification code 91-0205-0-1-502	2013 actual	2014 est.	2015 est.
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	2	.....	.....
3041 Recoveries of prior year unpaid obligations, expired	-2	.....	.....
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	2	.....	.....

The Academic Competitiveness Grant and Science and Mathematics Access to Retain Talent Grant programs expired July 1, 2011. This account reflects the final transactions of grants provided in prior years.

TEACH GRANT PROGRAM ACCOUNT

Program and Financing (in millions of dollars)

Identification code 91-0206-0-1-502	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
Credit program obligations:			
0701 Direct loan subsidy	13	15	18
0705 Reestimates of direct loan subsidy	1	4	.....
0706 Interest on reestimates of direct loan subsidy	1	.....	.....
0900 Total new obligations (object class 41.0)	15	19	18

Budgetary Resources:			
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation (indefinite) - Loan subsidy	14	15	18
1200 Appropriation (indefinite) - Upward reestimate	2	4	.....
1230 Appropriations and/or unobligated balance of appropriations permanently reduced	-1	.....	.....
1260 Appropriations, mandatory (total)	15	19	18
1930 Total budgetary resources available	15	19	18

Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	5	4	3
3010 Obligations incurred, unexpired accounts	15	19	18
3020 Outlays (gross)	-15	-16	-15
3041 Recoveries of prior year unpaid obligations, expired	-1	-4	.....
3050 Unpaid obligations, end of year	4	3	6
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	5	4	3
3200 Obligated balance, end of year	4	3	6

Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross	15	19	18
Outlays, gross:			
4100 Outlays from new mandatory authority	11	13	11
4101 Outlays from mandatory balances	4	3	4
4110 Outlays, gross (total)	15	16	15
4180 Budget authority, net (total)	15	19	18
4190 Outlays, net (total)	15	16	15

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 91-0206-0-1-502	2013 actual	2014 est.	2015 est.
Direct loan levels supportable by subsidy budget authority:			
115001 TEACH Grants	119	106	108
115999 Total direct loan levels	119	106	108
Direct loan subsidy (in percent):			
132001 TEACH Grants	11.01	13.75	16.53
132999 Weighted average subsidy rate	11.01	13.75	16.53
Direct loan subsidy budget authority:			
133001 TEACH Grants	13	15	18
133999 Total subsidy budget authority	13	15	18

Direct loan subsidy outlays:

134001 TEACH Grants	13	12	15
134999 Total subsidy outlays	13	12	15
Direct loan upward reestimates:			
135001 TEACH Grants	2	4	.....
135999 Total upward reestimate budget authority	2	4	.....
Direct loan downward reestimates:			
137001 TEACH Grants	-17	-13	.....
137999 Total downward reestimate budget authority	-17	-13	.....

The TEACH Grant program, authorized by the College Cost Reduction and Access Act of 2007, awards annual grants of up to \$4,000 to full- or part-time undergraduate and graduate students who agree to teach mathematics, science, foreign languages, bilingual education, special education, or reading at a high-poverty school for not less than four years within eight years of graduation. The program began awarding grants in the 2008-2009 award year. Students must have a grade point average of 3.25 or higher to be eligible to receive a grant. Students who fail to fulfill the service requirements must repay the grants, including interest accrued from the time of award.

Because TEACH Grants turn into loans in cases where the service requirements are not fulfilled, for budget and accounting purposes the program is operated consistent with the requirements of the Federal Credit Reform Act of 1990. This program account records subsidy costs reflecting the net present value of the estimated lifetime Federal program costs for grants awarded in a given fiscal year. Under this approach the subsidy cost reflects the cost of grant awards net of expected future repayments for grants that are converted to loans.

TEACH GRANT FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 91-4290-0-3-502	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
Credit program obligations:			
0710 Direct loan obligations	119	106	108
0713 Payment of interest to Treasury	16	23	28
0742 Downward reestimate paid to receipt account	16	13	.....
0743 Interest on downward reestimates	1	1	.....
0900 Total new obligations	152	143	136

Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	.....	1	.....
1021 Recoveries of prior year unpaid obligations	20	10	10
1023 Unobligated balances applied to repay debt	-10	.....	.....
1024 Unobligated balance of borrowing authority withdrawn	-10	-10	-10
1050 Unobligated balance (total) .....	.....	1	.....
Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority	128	117	121
1440 Borrowing authority, mandatory (total)	128	117	121
Spending authority from offsetting collections, mandatory:			
1800 Collected	30	31	35
1801 Change in uncollected payments, Federal sources	-1	4	5
1825 Spending authority from offsetting collections applied to repay debt	-4	-10	-25
1850 Spending auth from offsetting collections, mand (total)	25	25	15
1900 Financing authority (total)	153	142	136
1930 Total budgetary resources available	153	143	136
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	1	.....	.....

Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	82	74	56
3010 Obligations incurred, unexpired accounts	152	143	136
3020 Financing disbursements (gross)	-140	-151	-167

3040	Recoveries of prior year unpaid obligations, unexpired	-20	-10	-10
3050	Unpaid obligations, end of year	74	56	15
	Uncollected payments:			
3060	Uncollected pymts, Fed sources, brought forward, Oct 1	-4	-3	-7
3070	Change in uncollected pymts, Fed sources, unexpired	1	-4	-5
3090	Uncollected pymts, Fed sources, end of year	-3	-7	-12
	Memorandum (non-add) entries:			
3100	Obligated balance, start of year	78	71	49
3200	Obligated balance, end of year	71	49	3
Financing authority and disbursements, net:				
	Mandatory:			
4090	Financing authority, gross	153	142	136
	Financing disbursements:			
4110	Financing disbursements, gross	140	151	167
	Offsets against gross financing authority and disbursements:			
	Offsetting collections (collected) from:			
4120	Upward Reestimate	-15	-4	.....
4120	Subsidy from Program Account .....	.....	-12	-15
4122	Interest on uninvested funds	-2	.....	.....
4123	Payment of Principal	-13	-9	-13
4123	Interest Received .....	.....	-6	-7
4130	Offsets against gross financing auth and disbursements (total)	-30	-31	-35
	Additional offsets against financing authority only (total):			
4140	Change in uncollected pymts, Fed sources, unexpired	1	-4	-5
4160	Financing authority, net (mandatory)	124	107	96
4170	Financing disbursements, net (mandatory)	110	120	132
4180	Financing authority, net (total)	124	107	96
4190	Financing disbursements, net (total)	110	120	132

Status of Direct Loans (in millions of dollars)

Identification code 91-4290-0-3-502	2013 actual	2014 est.	2015 est.
Position with respect to appropriations act limitation on obligations:			
1131 Direct loan obligations exempt from limitation	119	106	108
1150 Total direct loan obligations	119	106	108
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	396	501	589
1231 Disbursements: Direct loan disbursements	114	97	98
1251 Repayments: Repayments and prepayments	-9	-9	-13
1290 Outstanding, end of year	501	589	674

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from the TEACH Grant program. Amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 91-4290-0-3-502	2012 actual	2013 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	27	32
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	396	501
1402 Interest receivable	41	58
1405 Allowance for subsidy cost (-)	-93	-106
1499 Net present value of assets related to direct loans	344	453
1999 Total assets	371	485
LIABILITIES:		
Federal liabilities:		
2101 Accounts payable	1	1
2103 Debt	370	484
2999 Total liabilities	371	485
4999 Total liabilities and net position	371	485

STUDENT FINANCIAL ASSISTANCE DEBT COLLECTION**Special and Trust Fund Receipts** (in millions of dollars)

Identification code 91-5557-0-2-502	2013 actual	2014 est.	2015 est.
0100 Balance, start of year .....	.....	1	2
Receipts:			
0220 Student Financial Assistance Debt Collection	13	13	13
0400 Total: Balances and collections	13	14	15
Appropriations:			
0500 Student Financial Assistance Debt Collection	-13	-13	-13
0501 Student Financial Assistance Debt Collection	1	1	.....
0599 Total appropriations	-12	-12	-13
0799 Balance, end of year	1	2	2

Program and Financing (in millions of dollars)

Identification code 91-5557-0-2-502	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0001 Student Financial Assistance Debt Collection	5	5	5
0900 Total new obligations (object class 25.2)	5	5	5
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	12	14	15
1022 Capital transfer of unobligated balances to general fund	-5	-6	-6
1050 Unobligated balance (total)	7	8	9
Budget authority:			
Appropriations, mandatory:			
1201 Appropriation (special or trust fund)	13	13	13
1232 Appropriations and/or unobligated balance of appropriations temporarily reduced	-1	-1	.....
1260 Appropriations, mandatory (total)	12	12	13
1930 Total budgetary resources available	19	20	22
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	14	15	17

Change in obligated balance:

Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	2	3	3
3010 Obligations incurred, unexpired accounts	5	5	5
3020 Outlays (gross)	-4	-5	-5
3050 Unpaid obligations, end of year	3	3	3
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	2	3	3
3200 Obligated balance, end of year	3	3	3

Budget authority and outlays, net:

Mandatory:			
4090 Budget authority, gross	12	12	13
Outlays, gross:			
4101 Outlays from mandatory balances	4	5	5
4180 Budget authority, net (total)	12	12	13
4190 Outlays, net (total)	4	5	5

FEDERAL STUDENT LOAN RESERVE FUND**Program and Financing** (in millions of dollars)

Identification code 91-4257-0-3-502	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0102 Obligations, non-Federal	14,369	9,894	7,194
0900 Total new obligations (object class 42.0)	14,369	9,894	7,194
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	1,307	1,483	1,502
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected	14,545	9,913	7,250
1850 Spending auth from offsetting collections, mand (total)	14,545	9,913	7,250
1930 Total budgetary resources available	15,852	11,396	8,752

FEDERAL STUDENT LOAN RESERVE FUND—Continued
Program and Financing—Continued

Identification code 91–4257–0–3–502	2013 actual	2014 est.	2015 est.
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	1,483	1,502	1,558
Change in obligated balance:			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts	14,369	9,894	7,194
3020 Outlays (gross)	–14,369	–9,894	–7,194
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross	14,545	9,913	7,250
Outlays, gross:			
4100 Outlays from new mandatory authority	14,090	9,693	7,041
4101 Outlays from mandatory balances	279	201	153
4110 Outlays, gross (total)	14,369	9,894	7,194
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4120 Federal sources	–14,090	–9,693	–7,041
4123 Non-Federal sources	–455	–220	–209
4130 Offsets against gross budget authority and outlays (total)	–14,545	–9,913	–7,250
4170 Outlays, net (mandatory)	–176	–19	–56
4190 Outlays, net (total)	–176	–19	–56

The Higher Education Amendments of 1998 clarified that reserve funds held by public and non-profit guaranty agencies participating in the Federal Family Education Loan (FFEL) program are Federal property. These reserves are used to pay default claims from FFEL lenders and fees to support agency efforts to avert defaults. The Federal Government reimburses these reserves for default claim payments. The following schedule reflects the balances in these guaranty agency funds.

Balance Sheet (in millions of dollars)

Identification code 91–4257–0–3–502	2012 actual	2013 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	1,307	1,482
1999 Total assets	1,307	1,482
NET POSITION:		
3300 Cumulative results of operations	1,307	1,482
4999 Total liabilities and net position	1,307	1,482

FEDERAL DIRECT STUDENT LOAN PROGRAM ACCOUNT

Program and Financing (in millions of dollars)

Identification code 91–0243–0–1–502	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
Credit program obligations:			
0705 Reestimates of direct loan subsidy	2,377	14,693	.....
0706 Interest on reestimates of direct loan subsidy	897	1,561	.....
0709 Administrative expenses	3	.....	.....
0900 Total new obligations	3,277	16,254	.....
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	3	.....	.....
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation (indefinite) - Upward reestimate	3,274	16,254	.....
1260 Appropriations, mandatory (total)	3,274	16,254	.....
1900 Budget authority (total)	3,274	16,254	.....
1930 Total budgetary resources available	3,277	16,254	.....
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	6	6	1
3010 Obligations incurred, unexpired accounts	3,277	16,254	.....

3020 Outlays (gross)	–3,277	–16,259	–1
3050 Unpaid obligations, end of year	6	1	.....
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	6	6	1
3200 Obligated balance, end of year	6	1	.....
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross	3,274	16,254	.....
Outlays, gross:			
4100 Outlays from new mandatory authority	3,274	16,254	.....
4101 Outlays from mandatory balances	3	5	1
4110 Outlays, gross (total)	3,277	16,259	1
4180 Budget authority, net (total)	3,274	16,254	.....
4190 Outlays, net (total)	3,277	16,259	1

Summary of Budget Authority and Outlays (in millions of dollars)

	2013 actual	2014 est.	2015 est.
Enacted/requested:			
Budget Authority	3,274	16,254	.....
Outlays	3,277	16,259	1
Legislative proposal, subject to PAYGO:			
Budget Authority .....	.....	.....	7,243
Outlays .....	.....	.....	7,243
Total:			
Budget Authority	3,274	16,254	7,243
Outlays	3,277	16,259	7,244

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 91–0243–0–1–502	2013 actual	2014 est.	2015 est.
Direct loan levels supportable by subsidy budget authority:			
115001 Stafford	32,353	29,602	29,315
115002 Unsubsidized Stafford	67,400	62,182	63,387
115003 PLUS	23,235	19,897	20,989
115004 Consolidation	28,653	25,677	27,204
115999 Total direct loan levels	151,641	137,358	140,895
Direct loan subsidy (in percent):			
132001 Stafford	0.37	–0.44	5.32
132002 Unsubsidized Stafford	–25.88	–21.07	–17.45
132003 PLUS	–37.79	–37.04	–31.84
132004 Consolidation	–13.43	–3.83	5.11
132999 Weighted average subsidy rate	–19.75	–15.71	–10.50
Direct loan subsidy budget authority:			
133001 Stafford	120	–130	1,560
133002 Unsubsidized Stafford	–17,443	–13,102	–11,061
133003 PLUS	–8,781	–7,370	–6,683
133004 Consolidation	–3,848	–983	1,390
133999 Total subsidy budget authority	–29,952	–21,585	–14,794
Direct loan subsidy outlays:			
134001 Stafford	568	–55	964
134002 Unsubsidized Stafford	–15,868	–12,670	–10,120
134003 PLUS	–7,829	–7,571	–6,516
134004 Consolidation	–3,881	–996	1,363
134999 Total subsidy outlays	–27,010	–21,292	–14,309
Direct loan upward reestimates:			
135005 Federal Direct Student Loans	3,274	16,254	.....
135999 Total upward reestimate budget authority	3,274	16,254	.....
Direct loan downward reestimates:			
137005 Federal Direct Student Loans	–11,426	–9,460	.....
137999 Total downward reestimate budget authority	–11,426	–9,460	.....
Administrative expense data:			
3580 Outlays from balances	3	5	1

The Federal Government currently operates two major student loan programs: the FFEL program and the William D. Ford Federal Direct Loan (Direct Loan) program. The Health Care and Education Reconciliation Act of 2010 eliminated the authorization to originate new FFEL loans; as of July 1, 2010, all new loans are originated in the Direct Loan program. This summary section outlines the structure of these two programs and provides text tables displaying program cost data; loan volume, subsidy, default, and interest rates; and other descriptive information.

From its inception in 1965 through the end of June 2010, the FFEL program provided almost \$899 billion in loans to postsecondary students and their parents. Although no new FFEL loans will be originated, billions of outstanding FFEL loans will continue to be serviced by lenders. Since July 1, 1994, the Direct Loan program has provided nearly \$796 billion in new and consolidation loans to students and parents. The Direct Loan program will make \$101.6 billion in new loans available in 2015, excluding Consolidation Loans, the current Perkins program, and the Budget's proposed new Perkins program.

Loan capital in the FFEL program was provided by private lenders, facilitated by the Federal guarantee on the loans. For the outstanding FFEL portfolio, State and private nonprofit guaranty agencies act as agents of the Federal Government, providing a variety of services including collection of some defaulted loans, default avoidance activities, and counseling to schools, students, and lenders. The Government provides substantial payments to these guaranty agencies. The Bipartisan Budget Act of 2013 eliminated the guaranty agencies' current retention share of the original defaulted student loan amount, and reduced the maximum fee they can charge a borrower on the borrower's outstanding balance from 18.5 to 16 percent. Additionally, the Act required these agencies to send the rehabilitated loans to the Department of Education if they cannot find a private lender buyer, but maintained their right to the 16 percent collection fee. The Government also pays interest subsidies to lenders for certain borrowers, as well as most costs associated with loan defaults and other write-offs.

Under the Direct Loan program, the Federal Government provides loan capital through the Treasury while loan origination and servicing is handled by private-sector companies under performance-based contracts with the Department. The Direct Loan program began operation in academic year 1994–1995 with 7 percent of overall loan volume but now originates all new loans.

The Direct Loan program offers four types of loans: Stafford, Unsubsidized Stafford, PLUS, and Consolidation. Evidence of financial need is required for an undergraduate student to receive a subsidized Stafford loan (graduate and professional students are not eligible). The other three loan programs are available to borrowers at all income levels. Loans can be used only to meet qualified educational expenses.

The Bipartisan Student Loan Certainty Act of 2013 changed the calculation for student loan interest rates. The rates will be set annually based on the 10-year Treasury note but those rates will remain fixed for the life of the loan. For Subsidized Stafford loans available to undergraduates, the interest rate will be equal to the 10-year Treasury note plus 2.05 percent and capped at 8.25 percent. Loans originated in academic year 2013–2014 have an interest rate of 3.86 percent. Interest payments for these loans are fully subsidized by the Federal Government while a student is in school (up to 150 percent of program length) and during grace and deferment periods. The Consolidated Appropriations Act, 2012, provides that interest on Stafford loans issued between July 1, 2012 and July 1, 2014 will begin to accrue during the six-month grace period after a borrower leaves school.

The interest rate on new Unsubsidized Stafford loans for undergraduate borrowers is the same as that on subsidized Stafford loans for undergraduates.

The Unsubsidized Stafford loan interest rate for graduate and professional students is equal to the 10-year Treasury note plus 3.6 percent and capped at 9.5 percent; loans originated in academic year 2013–2014 have an interest rate of 5.41 percent. The borrower interest rate on PLUS loans to graduate and professional students and parents of undergraduate borrowers is equal to

the 10-year Treasury note plus 4.6 percent and capped at 10.5 percent; loans originated in academic year 2013–2014 have an interest rate of 6.41 percent.

For loans originated in the FFEL program, lenders may receive an interest subsidy, known as a special allowance payment, from the Government to ensure a guaranteed rate of return on the loans. Special allowance payments vary by loan type, are determined quarterly, and are based on current borrower interest rates and market-yield formulas. The guarantee percentage paid to lenders on most defaults is 97 percent of unpaid loan principal (including any accrued interest on the full loan principal). The Consolidated Appropriations Act, 2012, gave holders of Federal student loans the option to change the basis for the special allowance calculation from commercial paper to the London Interbank Offered Rate (LIBOR), beginning April 1, 2012.

Consolidation loans allow borrowers to combine FFEL, Direct Loans, and Perkins Loans, as well as some loans made under the Public Health Service Act. The interest rate for new Consolidation loans equals the weighted average of the interest rate on the loans consolidated, rounded up to the nearest one-eighth of a percent.

For most types of Direct Loans, the origination fee is a base rate of one percent, but an additional surcharge for sequestration was added in 2013 and in 2014. The base origination fee for PLUS loans is four percent, but is also subject to an additional surcharge in 2013 and 2014. Loans are discharged when borrowers die, are totally and permanently disabled, or, under some circumstances, declare bankruptcy.

New borrowers after October 1, 1998, who are employed as teachers in schools serving low-income populations for five consecutive, complete school years, qualify for up to \$5,000 in loan forgiveness; this benefit is increased to \$17,500 for mathematics, science, and special education teachers considered highly qualified under criteria established in the Elementary and Secondary Education Act.

In addition, under a loan forgiveness program for public-sector employees, qualifying borrowers who have worked for 10 years while making payments on their student loans will have any remaining loan balance forgiven. This benefit is only available in the Direct Loan program, though FFEL borrowers may receive the benefit by taking out a Direct Consolidation Loan. Forgiveness is available for all borrowers, regardless of when they took out their loans. The 2015 Budget proposes to reform some of the terms of several loan repayment plans and to expand the reformed PAYE to all student borrowers.

Student borrowers may choose from four general types of repayment plans: standard, graduated, extended, and income-driven. The repayment period is 10 years for the standard, graduated, and income sensitive repayment plans; 20 years for the Pay As You Earn (PAYE) plan; and 25 years for the extended, income-based, and income-contingent repayment plans. The extended repayment plan is available for borrowers with outstanding loans totaling more than \$30,000. Income-driven plans generally require partial financial hardship in order to qualify for reduced payments and the monthly payment is capped at the monthly payment of the 10-year Standard plan. At the end of the repayment term, the borrower's remaining balance is forgiven. FFEL borrowers may change repayment plans annually. Direct Loan borrowers may switch between repayment plans at any time.

The 2015 Budget proposes to: expand PAYE to all qualified student borrowers regardless of when they took out loans; eliminate the current standard payment cap in PAYE; calculate payments for married borrowers filing separately on the combined household Adjusted Gross Income; cap Public Sector Loan For-

FEDERAL DIRECT STUDENT LOAN PROGRAM ACCOUNT—Continued
givenness (PSLF) at \$57,500 (the independent undergraduate student Direct Loan limit); establish a 25-year forgiveness period for borrowers with a debt above \$57,500; prevent payments made under non-income-driven repayment plans from counting toward PSLF terms; and cap the amount of interest that can accrue at 50 percent when a borrower's monthly payment is insufficient to cover the interest.

The following tables display performance indicators and program data; including projected overall Direct Loan and FFEL costs; and a summary of default rates.

Federal Budget Authority and Outlays

	(in thousands of dollars)		
	2013 actual	2014 est.	2015 est.
PROGRAM COST:			
FFEL:			
Liquidating ¹	(\$133,093)	(\$177,849)	(\$149,347)
Program:			
Net Reestimate of Prior Year Costs	(6,843,641)	(1,655,679)	0
Net Modification ²	0	(4,020,363)	0
Subtotal, Program	(6,843,641)	(5,676,042)	0
Total, FFEL	(6,976,734)	(5,853,891)	(149,347)
Direct Loans:			
Program:			
New Loan Subsidies	(30,032,763)	(21,585,226)	(14,399,517)
Net Reestimate of Prior Year Costs	(8,151,717)	6,793,632	0
Net Modification ³	0	0	7,243,186
Total, Direct Loans	(38,184,480)	(14,791,594)	(7,156,331)
Total, FFEL and Direct Loans	(45,161,214)	(20,645,485)	(7,305,679)
PROGRAM COST OUTLAYS:			
FFEL:			
Liquidating ¹	(264,367)	(177,849)	(149,347)
Program:			
Net Reestimate of Prior Year Costs	(6,843,641)	(1,655,679)	0
Net Modification ²	0	(4,020,363)	0
Subtotal, Program	(6,843,641)	(5,676,042)	0
Total, FFEL	(7,108,009)	(5,853,891)	(149,347)
Direct Loans:			
Program:			
Regular	(27,010,291)	(21,292,449)	(13,912,076)
Net Reestimate of Prior Year Costs	(8,151,717)	6,793,632	0
Net Modification ³	0	0	7,243,186
Total, Direct Loans	(35,162,008)	(14,498,817)	(6,668,890)
Total, FFEL and Direct Loans	(42,270,017)	(20,352,708)	(6,818,237)

Details may not sum to totals due to rounding.

¹Liquidating account reflects loans made prior to 1992.

²Reflects the cost or savings associated with policy changes passed in the Bipartisan Budget Act of 2013.

³Reflects the cost or savings associated with policy changes proposed in the 2015 President's Budget.

Summary of Default Rates¹

	(expressed as percentages)		
	2013 est.	2014 est.	2015 est.
Direct Loans:			
Stafford	20.08%	19.72%	19.41%
Unsubsidized Stafford			
Undergraduate	20.42%	20.04%	19.68%
Graduate/Professional	5.55%	5.47%	5.39%
PLUS			
Parent PLUS	7.71%	7.46%	7.31%
Grad PLUS	6.03%	5.93%	5.87%
Consolidation	21.87%	22.13%	21.24%
Weighted Average, Direct Loans	15.85%	15.50%	15.08%

¹Default rates displayed in this table, which reflect projected defaults over the life of a loan cohort, are used in developing program cost estimates. The Department uses other rates based on defaults occurring in the first 3 years of repayment to determine institutional eligibility to participate in Federal loan programs. These 3-year rates are lower than those included in this table.

FFEL program payments are made to lenders (interest subsidies, loan defaults, and discharges) and guaranty agencies (default collection costs, administrative services). These payments

are partially offset by an annual consolidation loan holder fee. In Direct Loans, cash outflows are primarily payments to Treasury. Cash inflows include principal and interest payments on outstanding Direct Loans.

The following table shows Government payments to and from lenders, guaranty agencies, and borrowers for specific years, regardless of when loans were originated. These flows do not reflect long-term costs to the Government, nor the value of outstanding loan assets, which are reflected in credit reform subsidy estimates.

The Federal Credit Reform Act of 1990 accounts for differences in the amount and timing of cash flows among direct and guaranteed loan programs to make cost estimates for these programs comparable with each other and other Federal programs.

Selected Program Costs and Offsets

	(in thousands of dollars)		
	2013 actual	2014 est.	2015 est.
FFEL:			
Payments to lenders:			
Interest benefits	\$1,235,649	\$682,843	\$499,876
Special allowance payments ¹	(5,213,477)	(4,357,900)	(3,587,200)
Default claims	9,857,195	8,424,613	5,859,031
Loan discharges	1,743,602	1,152,115	1,105,966
Teacher loan forgiveness	153,221	186,469	134,065
Administrative payments to guaranty agencies	181,163	194,537	181,650
Fees paid to the Department of Education:			
Loan holder fees	(1,870,583)	(1,462,578)	(1,304,554)
Other Major Transactions:			
Net default collections	(9,074,743)	(8,838,782)	(9,260,020)
Contract collection costs	108,186	114,064	106,795
Federal administrative costs	93,368	69,779	57,877
Net Cash Flow, FFEL	(2,786,418)	(3,834,839)	(6,206,513)
Ensuring Continued Access to Student Loans (ECASLA):			
Inflows	(11,331,313)	(13,341,271)	(13,844,600)
Outflows	12,480,190	14,174,143	13,844,047
Federal administrative costs	253,428	237,248	245,977
Net Cash Flow, ECASLA	1,402,305	1,070,121	245,424
Direct Loans:			
Loan disbursements to borrowers	129,512,152	125,408,863	127,038,937
Borrower interest payments	(7,589,715)	(11,544,895)	(14,539,388)
Borrower principal payments	(25,567,097)	(33,847,271)	(41,746,759)
Borrower origination fees	(1,557,039)	(1,649,269)	(1,582,969)
Net default collections	(1,515,532)	(2,878,573)	(3,880,833)
Contract collection costs	641,202	1,012,517	809,319
Federal administrative costs	987,037	1,088,551	1,143,070
Net operating cash flows	94,911,007	77,589,743	67,241,377
Loan capital borrowings from Treasury	(129,512,152)	(125,408,863)	(127,038,937)
Net interest payments to Treasury	19,252,153	29,553,251	33,494,516
Principal payments to Treasury	20,271,549	51,821,615	41,624,319
Subtotal, Treasury activity	(89,988,450)	(44,033,996)	(51,920,103)
Net Cash Flow, Direct Loans	4,922,557	33,555,746	15,321,274

Net Cash Flow, Direct Loans

¹Includes Negative Special Allowance Payments.

Student Loan Program Costs: Analysis of Direct Loans including Program and Administrative Expenses

	(expressed as percentages)		
	2013 actual	2014 est.	2015 est.
Direct Loans:			
New Loans:			
Stafford	9.68	-0.44	5.26
Unsubsidized Stafford			
Undergraduate	-10.53	-14.12	-10.53
Graduate/Professional	-17.75	-28.44	-24.66
PLUS			
Parent PLUS	-23.17	-32.95	-27.44
Grad PLUS	-26.16	-42.60	-37.74
Subtotal, new loan subsidy	-9.24	-18.35	-14.16
Federal administrative costs	1.70	1.70	1.70
Subtotal, new loans	-7.54	-16.65	-12.46

Consolidation Loans			
Loan subsidy	-7.10	-3.83	6.65
Federal administrative costs	0.38	0.38	0.38
Subtotal, consolidation loans	-6.72	-3.45	7.03
New and Consolidation Loans			
Loan subsidy	-8.82	-15.64	-10.14
Federal administrative costs	1.44	1.45	1.45
Total, Direct Loans	-7.38	-14.19	-8.69

Totals may not add due to rounding. Subsidies are weighted on Gross Volumes.

Notes: For 2013, the rates are current; these include the actual executed rates for 2013 and the effect of re-estimates on those rates. The 2013 cohort for Consolidation Loans includes volume and subsidy from the Special Direct Consolidation Loan program.

The table above describes Direct Loan costs on a subsidy rate basis: program costs calculated under the Federal Credit Reform Act of 1990 and comparably projected estimates of Federal administrative costs. As with any long-term projection, the comparison is based on assumed future interest rates, borrower characteristics, administrative costs, and other factors over the life of the loan cohort. To the degree actual conditions differ from projections, estimated subsidy rates will change.

The Federal Credit Reform Act of 1990 requires the cost of existing loan cohorts to be reestimated to reflect changes in actual and assumed borrower behavior, interest rates, and other factors. The following table shows the impact of these reestimates in FFEL and Direct Loans.

Loan Disbursement and Subsidy Costs

(in billions of dollars)

	FFEL	Direct Loans
Original Subsidy Costs	+\$77.1	-\$77.0
Cumulative Reestimates	-\$50.7	+\$7.3
Net Subsidy Costs	+\$26.3	-\$69.8
Total Disbursements	+\$898.7	+\$795.9

Changes in interest rate projections are a significant factor in FFEL and Direct Loan reestimates; recent declines in interest rates below historical averages have been a major driver in changes to program costs. In addition, the number of borrowers enrolled in income-based repayment plans has begun to increase which reflects program costs.

Direct Loan Repayment Options

(expressed as percentages)

Subsidies by Repayment Option	2013 actual ¹	2014 est.	2015 est.
Stafford:			
Standard	6.80	-2.03	3.28
Extended	11.40	-6.06	0.49
Graduated	12.54	-5.29	1.64
ICR/IBR ²	21.22	13.02	19.23
Unsubsidized Stafford:			
Standard	-19.58	-25.11	-22.53
Extended	-25.31	-35.84	-31.59
Graduated	-24.78	-36.15	-31.52
ICR/IBR	20.96	12.66	18.59
PLUS:			
Standard	-28.74	-37.08	-33.78
Extended	-42.75	-62.90	-55.55
Graduated	-43.74	-65.21	-57.21
ICR/IBR	12.73	5.51	15.36
Consolidated:			
Standard	-18.38	-15.99	-10.89
Extended	-48.04	-45.94	-31.66
Graduated	-38.35	-36.61	-22.67
ICR/IBR	14.33	17.71	29.60
Special Direct Consolidation ³	-9.81	—	—

Direct Loan Repayment Options

(gross volumes in millions of dollars)

Volumes by Repayment Option	2013 actual ¹	2014 est.	2015 est.
Stafford:			
Standard	\$21,982	\$20,911	\$20,661
Extended	1,673	1,591	1,572
Graduated	3,058	2,909	2,874

ICR/IBR ²	4,388	4,191	4,207
Unsubsidized Stafford:			
Standard	41,214	39,959	40,624
Extended	4,040	3,917	3,982
Graduated	8,419	8,163	8,299
ICR/IBR	10,421	10,144	10,483
PLUS:			
Standard	12,338	12,850	13,526
Extended	1,739	1,811	1,906
Graduated	2,383	2,481	2,612
ICR/IBR	2,634	2,754	2,945
Consolidated:			
Standard	11,159	10,471	10,474
Extended	1,309	1,179	1,248
Graduated	2,412	2,289	2,347
ICR/IBR	12,093	11,738	13,134
Special Direct Consolidation ³	769	—	—

¹2013 rates are current; these include actual executed rates for 2013 and the effect of re-estimates on those rates.

²All income-driven plans are included in the ICR/IBR category

³Special Direct Consolidation loans are made up of both FFEL and Direct Loans from underlying cohorts 1992–2010. They retain their repayment plan from the underlying loans.

Object Classification (in millions of dollars)

Identification code 91–0243–0–1–502	2013 actual	2014 est.	2015 est.
Direct obligations:			
25.7 Operation and maintenance of equipment	3	—	—
41.0 Grants, subsidies, and contributions	3,274	16,254	—
99.9 Total new obligations	3,277	16,254	—

FEDERAL DIRECT STUDENT LOAN PROGRAM ACCOUNT

(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91–0243–4–1–502	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
Credit program obligations:			
0703 Subsidy for modifications of direct loans	—	—	7,243
0900 Total new obligations (object class 41.0)	—	—	7,243
Budgetary Resources:			
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation (indefinite) - Upward reestimate	—	—	7,243
1260 Appropriations, mandatory (total)	—	—	7,243
1900 Budget authority (total)	—	—	7,243
1930 Total budgetary resources available	—	—	7,243

Change in obligated balance:

Unpaid obligations:			
3010 Obligations incurred, unexpired accounts	—	—	7,243
3020 Outlays (gross)	—	—	-7,243

Budget authority and outlays, net:

Mandatory:			
4090 Budget authority, gross	—	—	7,243
Outlays, gross:			
4100 Outlays from new mandatory authority	—	—	7,243
4180 Budget authority, net (total)	—	—	7,243
4190 Outlays, net (total)	—	—	7,243

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 91–0243–4–1–502	2013 actual	2014 est.	2015 est.
Direct loan subsidy (in percent):			
132001 Stafford	—	—	-0.06
132002 Unsubsidized Stafford	—	—	-0.03
132003 PLUS	—	—	0.06
132004 Consolidation	—	—	1.54
132999 Weighted average subsidy rate	—	—	0.28
Direct loan subsidy budget authority:			
133001 Stafford	—	—	-18
133002 Unsubsidized Stafford	—	—	-19
133003 PLUS	—	—	13
133004 Consolidation	—	—	419

FEDERAL DIRECT STUDENT LOAN PROGRAM ACCOUNT—Continued

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program—Continued

Identification code 91–0243–4–1–502	2013 actual	2014 est.	2015 est.
133999 Total subsidy budget authority			395
Direct loan subsidy outlays:			
134001 Stafford			–11
134002 Unsubsidized Stafford			–12
134003 PLUS			8
134004 Consolidation			412
134005 Federal Direct Student Loans			7,243
134999 Total subsidy outlays			7,640

FEDERAL DIRECT STUDENT LOAN PROGRAM FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 91–4253–0–3–502	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0201 Interest rate rebate	12		
0301 Consolidation loans—Payment of Orig. Services	32	41	41
0401 Payment of contract collection costs	641	1,013	812
Credit program obligations:			
0710 Direct loan obligations	151,641	137,358	140,895
0713 Payment of interest to Treasury	22,661	29,553	33,628
0740 Negative subsidy obligations	30,033	21,585	14,794
0742 Downward reestimate paid to receipt account	10,650	8,956	
0743 Interest on downward reestimates	776	505	
0791 Direct program activities, subtotal	215,761	197,957	189,317
0900 Total new obligations	216,446	199,011	190,170
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	3,016	3,350	
1021 Recoveries of prior year unpaid obligations	23,228	25,551	28,106
1023 Unobligated balances applied to repay debt	–11,656	–3,350	
1024 Unobligated balance of borrowing authority withdrawn	–14,429	–25,551	–28,106
1050 Unobligated balance (total)	159		
Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority	193,721	168,404	155,689
1440 Borrowing authority, mandatory (total)	193,721	168,404	155,689
Spending authority from offsetting collections, mandatory:			
1800 Collected	42,913	66,174	62,168
1825 Spending authority from offsetting collections applied to repay debt	–16,997	–35,567	–27,687
1850 Spending auth from offsetting collections, mand (total)	25,916	30,607	34,481
1900 Financing authority (total)	219,637	199,011	190,170
1930 Total budgetary resources available	219,796	199,011	190,170
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	3,350		
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	86,011	87,617	74,309
3010 Obligations incurred, unexpired accounts	216,446	199,011	190,170
3020 Financing disbursements (gross)	–191,612	–186,768	–175,829
3040 Recoveries of prior year unpaid obligations, unexpired	–23,228	–25,551	–28,106
3050 Unpaid obligations, end of year	87,617	74,309	60,544
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	86,011	87,617	74,309
3200 Obligated balance, end of year	87,617	74,309	60,544
Financing authority and disbursements, net:			
Mandatory:			
4090 Financing authority, gross	219,637	199,011	190,170
Financing disbursements:			
4110 Financing disbursements, gross	191,612	186,768	175,829
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Upward reestimate	–2,377	–14,692	
4120 Upward reestimate, interest	–897	–1,562	
4120 Civil legal assistance attorney repayment program	–1		
4122 Interest on uninvested funds	–3,409		
4123 Repayment of principal, Stafford	–7,084	–8,385	–10,294
4123 Interest received on loans, Stafford	–1,300	–1,895	–2,432

4123 Origination Fees, Stafford	–276	–282	–263
4123 Other fees, Stafford	–24		
4123 Repayment of principal, Unsubsidized Stafford	–9,098	–11,765	–15,920
4123 Interest received on loans, Unsubsidized Stafford	–2,144	–3,248	–4,620
4123 Origination Fees, Unsubsidized Stafford	–559	–585	–560
4123 Other fees, Unsubsidized Stafford	–21		
4123 Repayment of principal, PLUS	–4,809	–5,632	–7,321
4123 Interest received on loans, PLUS	–1,487	–2,586	–3,341
4123 Origination Fees, PLUS	–722	–783	–795
4123 Other fees, PLUS	–8		
4123 Payment of principal, Consolidation	–5,434	–10,944	–12,166
4123 Interest received on loans, Consolidation	–3,217	–3,815	–4,456
4123 Other fees, Consolidation	–46		
4130 Offsets against gross financing auth and disbursements (total)	–42,913	–66,174	–62,168
4160 Financing authority, net (mandatory)	176,724	132,837	128,002
4170 Financing disbursements, net (mandatory)	148,699	120,594	113,661
4180 Financing authority, net (total)	176,724	132,837	128,002
4190 Financing disbursements, net (total)	148,699	120,594	113,661

Status of Direct Loans (in millions of dollars)

Identification code 91–4253–0–3–502	2013 actual	2014 est.	2015 est.
STAFFORD			
Position with respect to appropriations act limitation on obligations:			
1131 Direct loan obligations exempt from limitation	32,353	29,602	29,315
1150 Total direct loan obligations	32,353	29,602	29,315
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	130,879	152,712	170,859
1231 Disbursements: Direct loan disbursements	26,546	26,513	25,818
1251 Repayments: Repayments and prepayments	–7,085	–8,385	–10,293
1261 Adjustments: Capitalized interest	2,021	213	296
1264 Write-offs for default: Other adjustments, net (+ or -)	351	–194	–215
1290 Outstanding, end of year	152,712	170,859	186,465
UNSUBSIDIZED STAFFORD			
Position with respect to appropriations act limitation on obligations:			
1131 Direct loan obligations exempt from limitation	67,400	62,182	63,387
1150 Total direct loan obligations			
1150 Total direct loan obligations	67,400	62,182	63,387
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	152,643	203,781	253,469
1231 Disbursements: Direct loan disbursements	57,471	55,020	54,863
1251 Repayments: Repayments and prepayments	–9,099	–11,765	–15,920
1261 Adjustments: Capitalized interest	2,357	6,639	7,552
1264 Write-offs for default: Other adjustments, net (+ or -)	409	–206	–258
1290 Outstanding, end of year	203,781	253,469	299,706
PLUS			
Position with respect to appropriations act limitation on obligations:			
1131 Direct loan obligations exempt from limitation	23,235	19,897	20,989
1150 Total direct loan obligations			
1150 Total direct loan obligations	23,235	19,897	20,989
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	51,067	65,205	79,058
1231 Disbursements: Direct loan disbursements	18,023	18,421	19,404
1251 Repayments: Repayments and prepayments	–4,809	–5,632	–7,321
1261 Adjustments: Capitalized interest	788	1,171	1,370
1264 Write-offs for default: Other adjustments, net (+ or -)	136	–107	–125
1290 Outstanding, end of year	65,205	79,058	92,386
CONSOLIDATION			
Position with respect to appropriations act limitation on obligations:			
1131 Direct loan obligations exempt from limitation	28,653	25,677	27,204
1150 Total direct loan obligations			
1150 Total direct loan obligations	28,653	25,677	27,204
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	138,288	162,830	176,769
1231 Disbursements: Direct loan disbursements	27,472	25,455	26,954
1251 Repayments: Repayments and prepayments	–5,435	–10,944	–12,166
1261 Adjustments: Capitalized interest	2,135	8	8
1264 Write-offs for default: Other adjustments, net (+ or -)	370	–580	–634

1290	Outstanding, end of year	162,830	176,769	190,931
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As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from Federal Direct Loans. The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 91-4253-0-3-502	2012 actual	2013 actual
ASSETS:		
Federal assets:		
1101 Fund balances with Treasury	23,441	23,771
Investments in US securities:		
1106 Receivables, net	4,347	1,129
1206 Non-Federal assets: Receivables, net	12	18
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	472,877	584,528
1402 Interest receivable	21,082	29,332
1405 Allowance for subsidy cost (-)	32,076	65,247
1499 Net present value of assets related to direct loans	526,035	679,107
1999 Total assets	553,835	704,025
LIABILITIES:		
Federal liabilities:		
2101 Accounts payable	932	2,109
2103 Debt	549,332	698,361
2201 Non-Federal liabilities: Accounts payable	3,571	3,555
2999 Total liabilities	553,835	704,025
4999 Total liabilities and net position	553,835	704,025

FEDERAL DIRECT STUDENT LOAN PROGRAM FINANCING ACCOUNT
(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91-4253-4-3-502	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0401 Payment of contract collection costs			-2
Credit program obligations:			
0713 Payment of interest to Treasury			-133
0740 Negative subsidy obligations			-395
0791 Direct program activities, subtotal			-528
0900 Total new obligations			-530
Budgetary Resources:			
Financing authority:			
Appropriations, mandatory:			
1200 Appropriation			1,727
1260 Appropriations, mandatory (total)			1,727
Borrowing authority, mandatory:			
1400 Borrowing authority			-395
1440 Borrowing authority, mandatory (total)			-395
Spending authority from offsetting collections, mandatory:			
1800 Collected			6,826
1820 Capital transfer of spending authority from offsetting collections to general fund			-267
1825 Spending authority from offsetting collections applied to repay debt			-8,421
1850 Spending auth from offsetting collections, mand (total)			-1,862
1900 Financing authority (total)			-530
1930 Total budgetary resources available			-530
Change in obligated balance:			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts			-530
3020 Outlays (gross)			533
3050 Unpaid obligations, end of year			3
Memorandum (non-add) entries:			
3200 Obligated balance, end of year			3
Financing authority and disbursements, net:			
Mandatory:			
4090 Budget authority, gross			-530

4110	Financing disbursements:		
	Financing disbursements, gross		-533
	Offsets against gross financing authority and disbursements:		
	Offsetting collections (collected) from:		
4120	Modification		-7,243
4123	Repayment of principal, Stafford		-79
4123	Interest received on loans, Stafford		31
4123	Origination Fees, Stafford		5
4123	Repayment of principal, Unsubsidized Stafford		-109
4123	Interest received on loans, Unsubsidized Stafford		42
4123	Origination Fees, Unsubsidized Stafford		11
4123	Repayment of principal, PLUS		-42
4123	Interest received on loans, PLUS		17
4123	Origination Fees, PLUS		19
4123	Payment of principal, Consolidation		304
4123	Interest received on loans, Consolidation		218
4130	Offsets against gross financing auth and disbursements (total)		-6,826
4160	Financing authority, net (mandatory)		-7,356
4170	Financing disbursements, net (mandatory)		-7,359
4180	Financing authority, net (total)		-7,356
4190	Financing disbursements, net (total)		-7,359

Status of Direct Loans (in millions of dollars)

Identification code 91-4253-4-3-502	2013 actual	2014 est.	2015 est.
STAFFORD			
	Cumulative balance of direct loans outstanding:		
1210	Outstanding, start of year		
1251	Repayments: Repayments and prepayments		-79
1290	Outstanding, end of year		-79
UNSUBSIDIZED STAFFORD			
	Cumulative balance of direct loans outstanding:		
1210	Outstanding, start of year		
1251	Repayments: Repayments and prepayments		-109
1290	Outstanding, end of year		-109
PLUS			
	Cumulative balance of direct loans outstanding:		
1210	Outstanding, start of year		
1251	Repayments: Repayments and prepayments		-42
1290	Outstanding, end of year		-42
CONSOLIDATION			
	Cumulative balance of direct loans outstanding:		
1210	Outstanding, start of year		
1251	Repayments: Repayments and prepayments		304
1261	Adjustments: Capitalized interest		-1
1264	Write-offs for default: Other adjustments, net (+ or -)		2
1290	Outstanding, end of year		305

FEDERAL FAMILY EDUCATION LOAN PROGRAM ACCOUNT**Program and Financing** (in millions of dollars)

Identification code 91-0231-0-1-502	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
	Credit program obligations:		
0705	Reestimates of direct loan subsidy	2,302	730
0706	Interest on reestimates of direct loan subsidy	306	103
0707	Reestimates of loan guarantee subsidy	151	997
0708	Interest on reestimates of loan guarantee subsidy	343	439
0900	Total new obligations (object class 41.0)	3,102	2,269
Budgetary Resources:			
	Budget authority:		
	Appropriations, mandatory:		
1200	Appropriation	3,102	2,269
1260	Appropriations, mandatory (total)	3,102	2,269
1930	Total budgetary resources available	3,102	2,269
Change in obligated balance:			
	Unpaid obligations:		
3010	Obligations incurred, unexpired accounts	3,102	2,269

FEDERAL FAMILY EDUCATION LOAN PROGRAM ACCOUNT—Continued

Program and Financing—Continued

Identification code 91–0231–0–1–502		2013 actual	2014 est.	2015 est.
3020	Outlays (gross)	–3,102	–2,269	.....
Budget authority and outlays, net:				
Mandatory:				
4090	Budget authority, gross	3,102	2,269	.....
Outlays, gross:				
4100	Outlays from new mandatory authority	3,102	2,269	.....
4180	Budget authority, net (total)	3,102	2,269	.....
4190	Outlays, net (total)	3,102	2,269	.....

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 91–0231–0–1–502		2013 actual	2014 est.	2015 est.
Direct loan upward reestimates:				
135010	Direct Participation Agreement Reestimates	1,825	410	.....
135012	Direct Standard Put Reestimates	783	423	.....
135999	Total upward reestimate budget authority	2,608	833	.....
Direct loan downward reestimates:				
137010	Direct Participation Agreement Reestimates	–519	–790	.....
137012	Direct Standard Put Reestimates	–602	–976	.....
137020	FFB Conduit Liquidity Guarantee .....	.....	–203	.....
137999	Total downward reestimate budget authority	–1,121	–1,969	.....
Guaranteed loan subsidy outlays:				
234006	FFEL Guarantees .....	.....	–4,020	.....
234999	Total subsidy outlays .....	.....	–4,020	.....
Guaranteed loan upward reestimates:				
235006	FFEL Guarantees	494	1,436	.....
235999	Total upward reestimate budget authority	494	1,436	.....
Guaranteed loan downward reestimates:				
237006	FFEL Guarantees	–8,825	–1,957	.....
237999	Total downward reestimate subsidy budget authority	–8,825	–1,957	.....

As required by the Federal Credit Reform Act of 1990, this program account records the subsidy costs associated with Federal Family Education Loans (FFEL), formerly guaranteed student loans (GSL), committed in 1992 and beyond. Beginning with the 1993 cohort of loans, mandatory administrative costs, specifically contract collection costs, are included in the FFEL subsidy estimates of each year's cohort. Subsidy amounts are estimated on a net present value basis.

A description of the FFEL program and accompanying tables are included under the Federal Direct Student Loan program account.

FEDERAL FAMILY EDUCATION LOAN PROGRAM FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 91–4251–0–3–502		2013 actual	2014 est.	2015 est.
Obligations by program activity:				
0101	Default claims	2,304	1,677	974
0102	Special allowance	34	24	16
0103	Interest benefits	700	392	265
0104	Death, disability, and bankruptcy claims	249	104	83
0105	Teacher loan forgiveness, other write-offs	49	104	73
0107	Contract collection costs	32	27	19
0110	Guaranty Agency account maintenance fees	28	27	24
0191	Subtotal, Stafford loans	3,396	2,355	1,454
0202	Default claims	2,319	1,653	974
0203	Special allowance .....	.....	25	16
0204	Death, disability, and bankruptcy claims	305	113	86
0205	Teacher loan forgiveness, other write-offs	87	83	61
0207	Contract collection costs	11	17	13
0210	Guaranty Agency account maintenance fees	31	22	20
0291	Subtotal, Unsubsidized Stafford loans	2,753	1,913	1,170
0301	Default claims	292	225	164
0304	Death, disability, and bankruptcy claims	92	40	30
0307	Contract Collection Costs	3	2	1

0310	Guaranty Agency account maintenance fees	6	11	8
0391	Subtotal, PLUS loans	393	278	203
0403	Default claims	9	.....	.....
0404	Special allowance	35	.....	.....
0405	Death, disability, and bankruptcy claims	1	.....	.....
0407	Contract collection costs	2	1	1
0491	Subtotal, SLS loans	47	1	1
0501	Default claims	4,858	4,808	3,698
0502	Special allowance .....	.....	86	82
0503	Interest benefits	532	287	231
0504	Death, disability, and bankruptcy claims	1,087	885	899
0505	Teacher loan forgiveness, other write-offs	18	.....	.....
0507	Contract collection costs	6	25	21
0510	Guaranty Agency account maintenance fees	115	136	129
0591	Subtotal, Consolidations loans	6,616	6,227	5,060
Credit program obligations:				
0713	Payment of interest to Treasury	2,083	153	3
0741	Modification savings .....	.....	4,020	.....
0742	Downward reestimate paid to receipt account	6,456	1,100	.....
0743	Interest on downward reestimates	2,369	857	.....
0791	Direct program activities, subtotal	10,908	6,130	3
0900	Total new obligations	24,113	16,904	7,891
Budgetary Resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	13,781	7,176	6,765
1021	Recoveries of prior year unpaid obligations	875	.....	.....
1050	Unobligated balance (total)	14,656	7,176	6,765
Financing authority:				
Appropriations, mandatory:				
1200	Appropriation .....	.....	581	.....
1260	Appropriations, mandatory (total) .....	.....	581	.....
Spending authority from offsetting collections, mandatory:				
1800	Collected	16,633	15,912	14,003
1850	Spending auth from offsetting collections, mand (total)	16,633	15,912	14,003
1900	Financing authority (total)	16,633	16,493	14,003
1930	Total budgetary resources available	31,289	23,669	20,768
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	7,176	6,765	12,877
Change in obligated balance:				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1	2,275	1,800	1,800
3010	Obligations incurred, unexpired accounts	24,113	16,904	7,891
3020	Financing disbursements (gross)	–23,713	–16,904	–7,891
3040	Recoveries of prior year unpaid obligations, unexpired	–875	.....	.....
3050	Unpaid obligations, end of year	1,800	1,800	1,800
Memorandum (non-add) entries:				
3100	Obligated balance, start of year	2,275	1,800	1,800
3200	Obligated balance, end of year	1,800	1,800	1,800
Financing authority and disbursements, net:				
Mandatory:				
4090	Financing authority, gross	16,633	16,493	14,003
Financing disbursements:				
4110	Financing disbursements, gross	23,713	16,904	7,891
Offsets against gross financing authority and disbursements:				
Offsetting collections (collected) from:				
4120	Upward reestimate	–150	–997	.....
4120	Interest on upward reestimate	–344	–439	.....
4122	Interest on uninvested funds	–300	.....	.....
4123	Stafford recoveries on defaults	–2,838	–2,504	–2,470
4123	Stafford other fees	–104	.....	.....
4123	Stafford special allowance rebate	–1,287	–945	–733
4123	Unsubsidized Stafford recoveries on default	–1,397	–2,223	–2,232
4123	Unsubsidized Stafford other fees	–88	.....	.....
4123	Unsubsidized Stafford special allowance rebate	–1,522	–1,303	–1,052
4123	PLUS recoveries on defaults	–305	–235	–247
4123	PLUS other fees	–13	.....	.....
4123	PLUS special allowance rebate	–548	–499	–355
4123	SLS recoveries on defaults	–22	–15	–12
4123	SLS other fees	–1	.....	.....
4123	Consolidation recoveries on defaults	–3,753	–3,543	–4,037
4123	Consolidation loan holders fee	–1,871	–1,463	–1,304
4123	Consolidation other fees	–164	.....	.....
4123	Consolidation special allowance rebate	–1,926	–1,746	–1,561
4130	Offsets against gross financing auth and disbursements (total)	–16,633	–15,912	–14,003
4160	Financing authority, net (mandatory) .....	.....	581	.....

4170	Financing disbursements, net (mandatory)	7,080	992	-6,112
4180	Financing authority, net (total)		581	
4190	Financing disbursements, net (total)	7,080	992	-6,112

Status of Guaranteed Loans (in millions of dollars)

Identification code 91-4251-0-3-502		2013 actual	2014 est.	2015 est.
STAFFORD				
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	46,132	39,804	33,226
2251	Repayments and prepayments	-3,652	-4,568	-3,951
Adjustments:				
2261	Terminations for default that result in loans receivable	-2,553	-1,802	-1,098
2263	Terminations for default that result in claim payments	-249	-104	-83
2264	Other adjustments, net	126	-104	-73
2290	Outstanding, end of year	39,804	33,226	28,021
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year	37,813	31,565	26,620
Addendum:				
Cumulative balance of defaulted guaranteed loans that result in loans receivable:				
2310	Outstanding, start of year	7,145	6,749	5,840
2331	Disbursements for guaranteed loan claims	2,553	1,802	1,098
2351	Repayments of loans receivable	-2,448	-2,504	-2,471
2361	Write-offs of loans receivable	-249	-207	-153
2364	Other adjustments, net	-252		
2390	Outstanding, end of year	6,749	5,840	4,314
UNSUBSIDIZED STAFFORD				
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	49,707	44,313	36,290
2251	Repayments and prepayments	-3,935	-6,044	-5,107
Adjustments:				
2261	Terminations for default that result in loans receivable	-2,624	-1,783	-1,095
2263	Terminations for default that result in claim payments	-305	-113	-86
2264	Other adjustments, net	1,470	-83	-60
2290	Outstanding, end of year	44,313	36,290	29,942
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year	40,432	34,476	28,445
Addendum:				
Cumulative balance of defaulted guaranteed loans that result in loans receivable:				
2310	Outstanding, start of year	8,595	9,219	8,508
2331	Disbursements for guaranteed loan claims	2,624	1,783	1,095
2351	Repayments of loans receivable	-1,351	-2,223	-2,232
2361	Write-offs of loans receivable	-305	-271	-227
2364	Other adjustments, net	-344		
2390	Outstanding, end of year	9,219	8,508	7,144
PLUS				
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	11,014	9,265	6,754
2251	Repayments and prepayments	-872	-2,231	-1,825
Adjustments:				
2261	Terminations for default that result in loans receivable	-383	-240	-176
2263	Terminations for default that result in claim payments	-92	-40	-30
2264	Other adjustments, net	-402		
2290	Outstanding, end of year	9,265	6,754	4,723
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year	8,801	6,416	4,486
Addendum:				
Cumulative balance of defaulted guaranteed loans that result in loans receivable:				
2310	Outstanding, start of year	625	620	546
2331	Disbursements for guaranteed loan claims	383	239	176
2351	Repayments of loans receivable	-274	-235	-247
2361	Write-offs of loans receivable	-92	-78	-59
2364	Other adjustments, net	-22		
2390	Outstanding, end of year	620	546	416
SLS				
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	80	71	67

2251	Repayments and prepayments	-6	-2	-1
Adjustments:				
2261	Terminations for default that result in loans receivable	-9	-2	
2263	Terminations for default that result in claim payments	-1		
2264	Other adjustments, net	7		
2290	Outstanding, end of year	71	67	66

Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year	67	64	63
Addendum:				
Cumulative balance of defaulted guaranteed loans that result in loans receivable:				
2310	Outstanding, start of year	308	291	277
2331	Disbursements for guaranteed loan claims	9	2	
2351	Repayments of loans receivable	-15	-14	-12
2361	Write-offs of loans receivable	-1	-2	-1
2364	Other adjustments, net	-10		
2390	Outstanding, end of year	291	277	264

CONSOLIDATION				
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	183,067	169,933	154,089
2251	Repayments and prepayments	-14,491	-10,060	-9,394
Adjustments:				
2261	Terminations for default that result in loans receivable	-5,945	-4,899	-3,931
2263	Terminations for default that result in claim payments	-1,087	-885	-898
2264	Other adjustments, net	8,389		
2290	Outstanding, end of year	169,933	154,089	139,866

Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year	157,552	146,384	132,872
Addendum:				
Cumulative balance of defaulted guaranteed loans that result in loans receivable:				
2310	Outstanding, start of year	14,876	15,770	16,058
2331	Disbursements for guaranteed loan claims	5,945	4,899	3,931
2351	Repayments of loans receivable	-3,375	-3,543	-4,037
2361	Write-offs of loans receivable	-1,087	-1,068	-994
2364	Other adjustments, net	-589		
2390	Outstanding, end of year	15,770	16,058	14,958

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from Federal Family Education Loans (FFEL), formerly guaranteed student loans (GSL), committed in 1992 and beyond. The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 91-4251-0-3-502		2012 actual	2013 actual
ASSETS:			
Federal assets:			
1101	Fund balances with Treasury	15,682	8,602
Investments in US securities:			
1106	Receivables, net	695	1,665
1206	Non-Federal assets: Receivables, net	72	49
Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:			
1501	Defaulted guaranteed loans receivable, gross	31,549	32,649
1502	Interest receivable	4,541	4,849
1505	Allowance for subsidy cost (-)	-6,446	-2,354
1599	Net present value of assets related to defaulted guaranteed loans	29,644	35,144
1999	Total assets	46,093	45,460
LIABILITIES:			
Federal liabilities:			
2101	Accounts payable	1,664	2,135
2103	Debt	43,254	43,254
Non-Federal liabilities:			
2201	Accounts payable	162	71
2204	Liabilities for loan guarantees	1,013	
2999	Total liabilities	46,093	45,460

**FEDERAL FAMILY EDUCATION LOAN PROGRAM FINANCING
ACCOUNT—Continued
Balance Sheet—Continued**

Identification code 91–4251–0–3–502	2012 actual	2013 actual
4999 Total liabilities and net position	46,093	45,460

Status of Direct Loans (in millions of dollars)

Identification code 91–4453–0–3–502	2013 actual	2014 est.	2015 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	58,834	56,041	50,585
1251 Repayments: Repayments and prepayments	–4,604	–6,066	–6,488
1261 Adjustments: Capitalized interest		693	372
1264 Write-offs for default: Other adjustments, net (+ or -)	1,811	–83	–110
1290 Outstanding, end of year	56,041	50,585	44,359

TEMPORARY STUDENT LOAN PURCHASE AUTHORITY FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 91–4453–0–3–502	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0006 Contract collection costs	58	61	185
Credit program obligations:			
0713 Payment of interest to Treasury	2,293	2,856	2,738
0742 Downward reestimate paid to receipt account	474	676	
0743 Interest on downward reestimates	45	114	
0791 Direct program activities, subtotal	2,812	3,646	2,738
0900 Total new obligations	2,870	3,707	2,923
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	576	165	165
1021 Recoveries of prior year unpaid obligations	11,000		
1023 Unobligated balances applied to repay debt	–4,449		
1024 Unobligated balance of borrowing authority withdrawn	–7,127		
1050 Unobligated balance (total)		165	165
Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority	519	790	
1440 Borrowing authority, mandatory (total)	519	790	
Spending authority from offsetting collections, mandatory:			
1800 Collected	7,861	7,932	7,972
1825 Spending authority from offsetting collections applied to repay debt	–5,345	–5,015	–5,049
1850 Spending auth from offsetting collections, mand (total)	2,516	2,917	2,923
1900 Financing authority (total)	3,035	3,707	2,923
1930 Total budgetary resources available	3,035	3,872	3,088
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	165	165	165

As required by the Federal Credit Reform Act of 1990, this nonbudgetary account records all cash flows to and from the Government resulting from the participation interest program authorized under the Ensuring Continued Access to Student Loans Act of 2008. Amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 91–4453–0–3–502	2012 actual	2013 actual
ASSETS:		
Federal assets:		
1101 Fund balances with Treasury	5,101	853
Investments in US securities:		
1106 Receivables, net	1,822	410
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	58,834	56,041
1402 Interest receivable	3,143	3,298
1405 Allowance for subsidy cost (-)	8,910	8,208
1499 Net present value of assets related to direct loans	70,887	67,547
1999 Total assets	77,810	68,810
LIABILITIES:		
Federal liabilities:		
2101 Accounts payable	518	790
2103 Debt	77,292	68,017
2201 Non-Federal liabilities: Accounts payable		3
2999 Total liabilities	77,810	68,810
4999 Total liabilities and net position	77,810	68,810

STUDENT LOAN ACQUISITION ACCOUNT

Program and Financing (in millions of dollars)

Identification code 91–4449–0–3–502	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0005 Contract collection costs	40	65	111
Credit program obligations:			
0713 Payment of interest to Treasury	1,244	1,678	1,589
0742 Downward reestimate paid to receipt account	534	841	
0743 Interest on downward reestimates	68	134	
0791 Direct program activities, subtotal	1,846	2,653	1,589
0900 Total new obligations	1,886	2,718	1,700
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	1,190	367	
1021 Recoveries of prior year unpaid obligations	300		
1023 Unobligated balances applied to repay debt	–1,190	–367	
1024 Unobligated balance of borrowing authority withdrawn	–300		
Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority	602	976	
1440 Borrowing authority, mandatory (total)	602	976	
Spending authority from offsetting collections, mandatory:			
1800 Collected	4,806	5,729	5,417
1825 Spending authority from offsetting collections applied to repay debt	–3,155	–3,987	–3,717
1850 Spending auth from offsetting collections, mand (total)	1,651	1,742	1,700
1900 Financing authority (total)	2,253	2,718	1,700
1930 Total budgetary resources available	2,253	2,718	1,700

Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	11,653	689	689
3010 Obligations incurred, unexpired accounts	2,870	3,707	2,923
3020 Financing disbursements (gross)	–2,834	–3,707	–2,923
3040 Recoveries of prior year unpaid obligations, unexpired	–11,000		
3050 Unpaid obligations, end of year	689	689	689
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	11,653	689	689
3200 Obligated balance, end of year	689	689	689
Financing authority and disbursements, net:			
Mandatory:			
4090 Financing authority, gross	3,035	3,707	2,923
Financing disbursements:			
4110 Financing disbursements, gross	2,834	3,707	2,923
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Upward reestimate	–1,607	–364	
4120 Upward reestimate interest	–218	–46	
4122 Interest on uninvested funds	–204		
4123 Principal repayments	–4,604	–6,067	–6,488
4123 Interest repayments	–1,211	–1,455	–1,484
4123 Fees and other refunds	–17		
4130 Offsets against gross financing auth and disbursements (total)	–7,861	–7,932	–7,972
4160 Financing authority, net (mandatory)	–4,826	–4,225	–5,049
4170 Financing disbursements, net (mandatory)	–5,027	–4,225	–5,049
4180 Financing authority, net (total)	–4,826	–4,225	–5,049
4190 Financing disbursements, net (total)	–5,027	–4,225	–5,049

Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	367		
Change in obligated balance:				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1	305	13	13
3010	Obligations incurred, unexpired accounts	1,886	2,718	1,700
3020	Financing disbursements (gross)	-1,878	-2,718	-1,700
3040	Recoveries of prior year unpaid obligations, unexpired	-300		
3050	Unpaid obligations, end of year	13	13	13
Memorandum (non-add) entries:				
3100	Obligated balance, start of year	305	13	13
3200	Obligated balance, end of year	13	13	13
Financing authority and disbursements, net:				
Mandatory:				
4090	Financing authority, gross	2,253	2,718	1,700
Financing disbursements:				
4110	Financing disbursements, gross	1,878	2,718	1,700
Offsets against gross financing authority and disbursements:				
Offsetting collections (collected) from:				
4120	Upward reestimate	-695	-366	
4120	Upward reestimate interest	-88	-57	
4122	Interest on uninvested funds	-80		
4123	Principal repayments	-3,154	-4,188	-4,353
4123	Borrower interest repayments	-778	-1,118	-1,064
4123	Fees and other refunds	-11		
4130	Offsets against gross financing auth and disbursements (total)	-4,806	-5,729	-5,417
4160	Financing authority, net (mandatory)	-2,553	-3,011	-3,717
4170	Financing disbursements, net (mandatory)	-2,928	-3,011	-3,717
4180	Financing authority, net (total)	-2,553	-3,011	-3,717
4190	Financing disbursements, net (total)	-2,928	-3,011	-3,717

Status of Direct Loans (in millions of dollars)

Identification code 91-4449-0-3-502		2013 actual	2014 est.	2015 est.
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	34,012	31,899	28,145
1251	Repayments: Repayments and prepayments	-3,155	-4,188	-4,353
1261	Adjustments: Capitalized interest		486	261
1264	Write-offs for default: Other adjustments, net (+ or -)	1,042	-52	-72
1290	Outstanding, end of year	31,899	28,145	23,981

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from the standard and short-term Put programs authorized under the Ensuring Continued Access to Student Loans Act of 2008. Amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 91-4449-0-3-502		2012 actual	2013 actual
ASSETS:			
Federal assets:			
1101	Fund balances with Treasury	1,025	210
Investments in US securities:			
1106	Receivables, net	772	423
Net value of assets related to post-1991 direct loans receivable:			
1401	Direct loans receivable, gross	34,012	31,899
1402	Interest receivable	1,875	1,858
1405	Allowance for subsidy cost (-)	5,258	5,189
1499	Net present value of assets related to direct loans	41,145	38,946
1999	Total assets	42,942	39,579
LIABILITIES:			
Federal liabilities:			
2101	Accounts payable	600	976
2103	Debt	42,342	38,600
2201	Non-Federal liabilities: Accounts payable		3
2999	Total liabilities	42,942	39,579
4999	Total liabilities and net position	42,942	39,579

TEMPORARY STUDENT LOAN PURCHASE AUTHORITY CONDUIT FINANCING ACCOUNT**Program and Financing** (in millions of dollars)

Identification code 91-4459-0-3-502		2013 actual	2014 est.	2015 est.
Obligations by program activity:				
0003	Contract collection costs	46	51	37
Credit program obligations:				
0713	Payment of interest to Treasury	124	62	53
0742	Downward reestimate paid to receipt account		175	
0743	Interest on downward reestimates		28	
0791	Direct program activities, subtotal	124	265	53
0900	Total new obligations	170	316	90
Budgetary Resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	17	13	
1023	Unobligated balances applied to repay debt	-17	-13	
Financing authority:				
Borrowing authority, mandatory:				
1400	Borrowing authority		203	
1440	Borrowing authority, mandatory (total)		203	
Spending authority from offsetting collections, mandatory:				
1800	Collected	358	513	456
1825	Spending authority from offsetting collections applied to repay debt	-175	-400	-366
1850	Spending auth from offsetting collections, mand (total)	183	113	90
1900	Budget authority (total)	183	316	90
1930	Total budgetary resources available	183	316	90
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	13		

Change in obligated balance:

Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1	71,634	71,297	93
3010	Obligations incurred, unexpired accounts	170	316	90
3020	Financing disbursements (gross)	-507	-320	-90
3041	Recoveries of prior year unpaid obligations, expired		-71,200	
3050	Unpaid obligations, end of year	71,297	93	93
Memorandum (non-add) entries:				
3100	Obligated balance, start of year	71,634	71,297	93
3200	Obligated balance, end of year	71,297	93	93

Financing authority and disbursements, net:

Mandatory:				
4090	Financing authority, gross	183	316	90
Financing disbursements:				
4110	Financing disbursements, gross	507	320	90
Offsets against gross financing authority and disbursements:				
Offsetting collections (collected) from:				
4122	Interest on uninvested funds	-44		
4123	Direct Conduit Fees	-72		
4123	Principal repayments	-184	-435	-385
4123	Interest repayments	-58	-78	-71
4130	Offsets against gross financing auth and disbursements (total)	-358	-513	-456
4160	Financing authority, net (mandatory)	-175	-197	-366
4170	Financing disbursements, net (mandatory)	149	-193	-366
4180	Financing authority, net (total)	-175	-197	-366
4190	Financing disbursements, net (total)	149	-193	-366

Status of Direct Loans (in millions of dollars)

Identification code 91-4459-0-3-502		2013 actual	2014 est.	2015 est.
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	2,038	2,208	1,779
1232	Disbursements: Purchase of loans assets from the public	358	4	.....
1251	Repayments: Repayments and prepayments	-184	-435	-385
1261	Adjustments: Capitalized interest .....	.....	3	.....
1264	Write-offs for default: Other adjustments, net (+ or -)	-4	-1	-8
1290	Outstanding, end of year	2,208	1,779	1,386

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from the asset-backed commercial paper conduit

TEMPORARY STUDENT LOAN PURCHASE AUTHORITY CONDUIT FINANCING ACCOUNT—Continued

authorized under the Ensuring Continued Access to Student Loans Act of 2008. Amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 91-4459-0-3-502	2012 actual	2013 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	22	681
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	2,038	2,208
1402 Interest receivable	133	193
1405 Allowance for subsidy cost (-)	-440	-537
1499 Net present value of assets related to direct loans	1,731	1,864
1999 Total assets	1,753	2,545
LIABILITIES:		
2103 Federal liabilities: Debt	1,734	2,542
2201 Non-Federal liabilities: Accounts payable	19	3
2999 Total liabilities	1,753	2,545
4999 Total liabilities and net position	1,753	2,545

FEDERAL FAMILY EDUCATION LOAN LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 91-0230-0-1-502	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0101 Interest benefits, net of origination fees	4	4	4
0103 Default claims	67	52	43
0104 Death, disability, and bankruptcy claims	8	7	6
0105 Contract collection costs	43	56	43
0191 Subtotal, Stafford loans	122	119	96
0201 Default claims	8	9	7
0202 Death, disability, and bankruptcy claims	3	3	2
0205 Contract collection costs	10	10	8
0291 Subtotal, PLUS/SLS loans	21	22	17
0900 Total new obligations	143	141	113

Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	204	114	.....
1021 Recoveries of prior year unpaid obligations	19	.....	.....
1022 Capital transfer of unobligated balances to general fund	-223	-114	.....
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected	390	319	262
1820 Capital transfer of spending authority from offsetting collections to general fund	-133	-178	-149
1850 Spending auth from offsetting collections, mand (total)	257	141	113
1900 Budget authority (total)	257	141	113
1930 Total budgetary resources available	257	141	113
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	114	.....	.....

Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	36	34	4
3010 Obligations incurred, unexpired accounts	143	141	113
3020 Outlays (gross)	-126	-171	-115
3040 Recoveries of prior year unpaid obligations, unexpired	-19	.....	.....
3050 Unpaid obligations, end of year	34	4	2
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	36	34	4
3200 Obligated balance, end of year	34	4	2

Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross	257	141	113
Outlays, gross:			
4100 Outlays from new mandatory authority	126	141	113
4101 Outlays from mandatory balances .....	.....	30	2

4110 Outlays, gross (total)	126	171	115
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4123 Fed collections on defaulted loans, stafford	-34	-88	-72
4123 Fed collections on bankruptcies, Stafford	-5	-2	-2
4123 Offsets against Federal tax refunds, Stafford	-229	-95	-78
4123 Reimbursements from guaranty agencies, Stafford	-43	-66	-55
4123 Other collections, Stafford	-30	-19	-16
4123 Federal collections on defaulted loans, PLUS/SLS	-22	-27	-22
4123 Federal collections on bankruptcies, PLUS/SLS	-1	-1	.....
4123 Offsets against Federal tax refunds, PLUS/SLS	-17	-7	-6
4123 Reimbursements from guaranty agencies, PLUS/SLS	-9	-14	-11
4130 Offsets against gross budget authority and outlays (total)	-390	-319	-262
4160 Budget authority, net (mandatory)	-133	-178	-149
4170 Outlays, net (mandatory)	-264	-148	-147
4180 Budget authority, net (total)	-133	-178	-149
4190 Outlays, net (total)	-264	-148	-147

Status of Guaranteed Loans (in millions of dollars)

Identification code 91-0230-0-1-502	2013 actual	2014 est.	2015 est.
STAFFORD LOANS			
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	594	534	480
2251 Repayments and prepayments	-17	-13	-10
Adjustments:			
2261 Terminations for default that result in loans receivable	-74	-34	-23
2263 Terminations for default that result in claim payments	-8	-7	-6
2264 Other adjustments, net	39	.....	.....
2290 Outstanding, end of year	534	480	441

Memorandum:

2299 Guaranteed amount of guaranteed loans outstanding, end of year	508	457	419
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Addendum:

Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year	4,770	4,356	4,235
2331 Disbursements for guaranteed loan claims	74	34	23
2351 Repayments of loans receivable	-155	-131	-108
2361 Write-offs of loans receivable	-8	-7	-7
2364 Other adjustments, net	-325	-17	-13
2390 Outstanding, end of year	4,356	4,235	4,130

PLUS/SLS LOANS

Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	75	65	57
2251 Repayments and prepayments	-2	-2	-3
Adjustments:			
2261 Terminations for default that result in loans receivable	-11	-3	-2
2263 Terminations for default that result in claim payments	-3	-3	-2
2264 Other adjustments, net	6	.....	.....
2290 Outstanding, end of year	65	57	50

Memorandum:

2299 Guaranteed amount of guaranteed loans outstanding, end of year	61	54	47
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Addendum:

Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year	749	684	660
2331 Disbursements for guaranteed loan claims	11	3	2
2351 Repayments of loans receivable	-22	-22	-18
2361 Write-offs of loans receivable	-3	-3	-3
2364 Other adjustments, net	-51	-2	-2
2390 Outstanding, end of year	684	660	639

As required by the Federal Credit Reform Act of 1990, this liquidating account records, for this program, all cash flows to and from the Government resulting from guaranteed student loans committed prior to 1992. This account is shown on a cash basis. All new loan activity in this program for 1992 and beyond is recorded in corresponding program and financing accounts.

Balance Sheet (in millions of dollars)

Identification code 91–0230–0–1–502	2012 actual	2013 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	240	148
1701 Defaulted guaranteed loans, gross	5,519	5,040
1702 Interest receivable	5,358	5,563
1703 Allowance for estimated uncollectible loans and interest (-)	-8,180	-8,356
1799 Value of assets related to loan guarantees	2,697	2,247
1999 Total assets	2,937	2,395
LIABILITIES:		
2104 Federal liabilities: Resources payable to Treasury	2,913	2,375
Non-Federal liabilities:		
2201 Accounts payable		5
2204 Liabilities for loan guarantees	24	15
2999 Total liabilities	2,937	2,395
4999 Total liabilities and net position	2,937	2,395

Object Classification (in millions of dollars)

Identification code 91–0230–0–1–502	2013 actual	2014 est.	2015 est.
Direct obligations:			
33.0 Investments and loans	128	127	101
41.0 Grants, subsidies, and contributions	4	4	4
42.0 Insurance claims and indemnities	11	10	8
99.9 Total new obligations	143	141	113

FEDERAL PERKINS LOAN PROGRAM ACCOUNT
(Legislative proposal, subject to PAYGO)

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 91–0217–4–1–502	2013 actual	2014 est.	2015 est.
Direct loan levels supportable by subsidy budget authority:			
115001 Federal Perkins Loans			4,684
115999 Total direct loan levels			4,684
Direct loan subsidy (in percent):			
132001 Federal Perkins Loans			-17.67
132999 Weighted average subsidy rate			0.00
Direct loan subsidy budget authority:			
133001 Federal Perkins Loans			-828
133999 Total subsidy budget authority			-828
Direct loan subsidy outlays:			
134001 Federal Perkins Loans			-395
134999 Total subsidy outlays			-395

FEDERAL PERKINS LOAN FINANCING ACCOUNT
(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91–4574–4–3–502	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
Credit program obligations:			
0710 Direct loan obligations			4,684
0713 Payment of interest to Treasury			48
0740 Negative subsidy obligations			828
0900 Total new obligations			5,560
Budgetary Resources:			
Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority			5,537
1440 Borrowing authority, mandatory (total)			5,537
Spending authority from offsetting collections, mandatory:			
1800 Collected			23

1850	Spending auth from offsetting collections, mand (total)	23
1900	Financing authority (total)	5,560
1930	Total budgetary resources available	5,560

Change in obligated balance:

Unpaid obligations:		
3010	Obligations incurred, unexpired accounts	5,560
3020	Outlays (gross)	-2,681
3050	Unpaid obligations, end of year	2,879
Memorandum (non-add) entries:		
3200	Obligated balance, end of year	2,879

Financing authority and disbursements, net:

Mandatory:		
4090	Budget authority, gross	5,560
Financing disbursements:		
4110	Financing disbursements, gross	2,681
Offsets against gross financing authority and disbursements:		
Offsetting collections (collected) from:		
4123	Payment of principal	-1
4123	Origination fees	-22
4130	Offsets against gross budget authority and outlays (total)	-23
4160	Budget authority, net (mandatory)	5,537
4170	Outlays, net (mandatory)	2,658
4180	Financing authority, net (total)	5,537
4190	Financing disbursements, net (total)	2,658

Status of Direct Loans (in millions of dollars)

Identification code 91–4574–4–3–502	2013 actual	2014 est.	2015 est.
Position with respect to appropriations act limitation on obligations:			
1111	Limitation on direct loans		4,684
1150	Total direct loan obligations		4,684
Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year		
1231	Disbursements: Direct loan disbursements		2,238
1251	Repayments: Repayments and prepayments		-1
1261	Adjustments: Capitalized interest		
1264	Write-offs for default: Other adjustments, net (+ or -)		
1290	Outstanding, end of year		2,237

HEALTH EDUCATION ASSISTANCE LOANS PROGRAM ACCOUNT

Consistent with the Consolidated Appropriations Act, 2014 (P.L. 113–76), the Health Education Assistance Loans (HEAL) program will be transferred to the Department of Education from the Department of Health and Human Services in fiscal year 2014. The Department of Education will assume responsibility for the program and the authority to administer, service, collect, and enforce the program. In addition, the functions, assets, and liabilities of the Secretary of Health and Human Services that are associated with the HEAL program will be permanently transferred to the Secretary of Education.

HEALTH EDUCATION ASSISTANCE LOANS FINANCING ACCOUNT**Program and Financing** (in millions of dollars)

Identification code 91–4300–0–3–552	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
Credit program obligations:			
0711	Default claim payments on principal	4	12
0900	Total new obligations	4	12
Budgetary Resources:			
Unobligated balance:			
1000	Unobligated balance brought forward, Oct 1		54
1011	Unobligated balance transfer from other accts [75–4304]	54	
1050	Unobligated balance (total)	54	54

HEALTH EDUCATION ASSISTANCE LOANS FINANCING ACCOUNT—Continued
Program and Financing—Continued

Identification code 91–4300–0–3–552	2013 actual	2014 est.	2015 est.
Financing authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected		4	6
1850 Spending auth from offsetting collections, mand (total)		4	6
1930 Total budgetary resources available		58	60
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year		54	48
Change in obligated balance:			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts		4	12
3020 Financing disbursements (gross)		–4	–12
Financing authority and disbursements, net:			
Mandatory:			
4090 Financing authority, gross		4	6
Financing disbursements:			
4110 Financing disbursements, gross		4	12
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4122 Interest on uninvested funds		–3	–3
4123 Non-Federal sources		–1	–3
4130 Offsets against gross financing auth and disbursements (total)		–4	–6
4170 Financing disbursements, net (mandatory)			6
4190 Financing disbursements, net (total)			6

Status of Guaranteed Loans (in millions of dollars)

Identification code 91–4300–0–3–552	2013 actual	2014 est.	2015 est.
Position with respect to appropriations act limitation on commitments:			
2143 Uncommitted limitation carried forward			
2150 Total guaranteed loan commitments			
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year			309
2251 Repayments and prepayments		–15	–16
Adjustments:			
2261 Terminations for default that result in loans receivable		–4	–9
2263 Terminations for default that result in claim payments		–1	–3
2264 Other adjustments, net		329	
2290 Outstanding, end of year		309	281
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year		309	281
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year			204
2331 Disbursements for guaranteed loan claims		4	9
2351 Repayments and prepayments		–1	–3
2361 Write-offs of loans receivable			
2364 Other adjustments, net		201	
2390 Outstanding, end of year		204	210

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from the Health Education Assistance Loan program. Amounts in this account are a means of financing and are not included in the budget totals.

HEALTH EDUCATION ASSISTANCE LOANS LIQUIDATING ACCOUNT
Program and Financing (in millions of dollars)

Identification code 91–4299–0–3–552	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
Credit program obligations:			
0713 Payment of interest to Treasury		2	2
Budgetary Resources:			
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation		1	1
1260 Appropriations, mandatory (total)		1	1
Spending authority from offsetting collections, mandatory:			
1800 Collected		2	10
1820 Capital transfer of spending authority from offsetting collections to general fund		–1	–9
1850 Spending auth from offsetting collections, mand (total)		1	1
1900 Budget authority (total)		2	2
1930 Total budgetary resources available		2	2
Change in obligated balance:			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts		2	2
3020 Outlays (gross)		–2	–2
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross		2	2
Outlays, gross:			
4100 Outlays from new mandatory authority		2	2
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4123 Non-Federal sources		–2	–10
4180 Budget authority, net (total)			–8
4190 Outlays, net (total)			–8

Status of Guaranteed Loans (in millions of dollars)

Identification code 91–4299–0–3–552	2013 actual	2014 est.	2015 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year			37
2251 Repayments and prepayments		–2	–8
Adjustments:			
2261 Terminations for default that result in loans receivable		–1	–1
2264 Other adjustments, net		40	
2290 Outstanding, end of year		37	28
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year		37	28
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year			293
2331 Disbursements for guaranteed loan claims		3	3
2351 Repayments of loans receivable		–7	–7
2361 Write-offs of loans receivable		–21	–21
2364 Other adjustments, net		318	
2390 Outstanding, end of year		293	268

As required by the Federal Credit Reform Act of 1990, this liquidating account records, for this program, all cash flows to and from the Government resulting from guaranteed HEAL loans committed prior to 1992. This account is shown on a cash basis. All loan activity in this program for 1992 and beyond is recorded in corresponding program and financing accounts.

Object Classification (in millions of dollars)

Identification code 91–4299–0–3–552	2013 actual	2014 est.	2015 est.
Direct obligations:			
33.0 Investments and loans		1	1
42.0 Insurance claims and indemnities		1	1

99.9 Total new obligations 2 2

INSTITUTE OF EDUCATION SCIENCES

Federal Funds

INSTITUTE OF EDUCATION SCIENCES

For carrying out activities authorized by the Education Sciences Reform Act of 2002, the National Assessment of Educational Progress Authorization Act, section 208 of the Educational Technical Assistance Act of 2002, and section 664 of the Individuals with Disabilities Education Act, **[\$576,935,000] \$637,180,000**, which shall remain available through September 30, **[2015] 2016: Provided**, That funds available to carry out section 208 of the Educational Technical Assistance Act of 2002 may be used to link Statewide elementary and secondary data systems with early childhood, postsecondary, and workforce data systems, or to further develop such systems: *Provided further*, That up to **[\$6,000,000] \$10,000,000** of the funds available to carry out section 208 of the Educational Technical Assistance Act of 2002 may be used for awards to public or private organizations or agencies to support activities to improve data coordination, quality, and use at the local, State, and national levels. (*Department of Education Appropriations Act, 2014.*)

Program and Financing (in millions of dollars)

Identification code 91–1100–0–1–503		2013 actual	2014 est.	2015 est.
Obligations by program activity:				
0001	Research, development, and dissemination	181	181	190
0002	Statistics	105	115	123
0003	Regional educational laboratories	72	66	54
0004	National Assessment	134	137	125
0005	National Assessment Governing Board	7	12	8
0006	Research in special education	48	54	54
0007	Statewide data systems	44	35	70
0008	Special education studies and evaluations	4	20	13
0100	Total direct program	595	620	637
0799	Total direct obligations	595	620	637
0801	Reimbursable program	1		
0900	Total new obligations	596	620	637
Budgetary Resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	68	43	2
1021	Recoveries of prior year unpaid obligations	7		
1050	Unobligated balance (total)	75	43	2
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation	594	577	637
1130	Appropriations permanently reduced	–31		
1160	Appropriation, discretionary (total)	563	577	637
Spending authority from offsetting collections, discretionary:				
1700	Collected		2	2
1701	Change in uncollected payments, Federal sources	1		
1750	Spending auth from offsetting collections, disc (total)	1	2	2
1900	Budget authority (total)	564	579	639
1930	Total budgetary resources available	639	622	641
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	43	2	4
Change in obligated balance:				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1	998	812	824
3010	Obligations incurred, unexpired accounts	596	620	637
3020	Outlays (gross)	–769	–608	–542
3040	Recoveries of prior year unpaid obligations, unexpired	–7		
3041	Recoveries of prior year unpaid obligations, expired	–6		
3050	Unpaid obligations, end of year	812	824	919
Uncollected payments:				
3060	Uncollected pymts, Fed sources, brought forward, Oct 1	–2	–3	–3
3070	Change in uncollected pymts, Fed sources, unexpired	–1		
3090	Uncollected pymts, Fed sources, end of year	–3	–3	–3
Memorandum (non-add) entries:				
3100	Obligated balance, start of year	996	809	821

3200	Obligated balance, end of year	809	821	916
Budget authority and outlays, net:				
Discretionary:				
4000	Budget authority, gross	564	579	639
Outlays, gross:				
4010	Outlays from new discretionary authority	82	97	105
4011	Outlays from discretionary balances	687	511	437
4020	Outlays, gross (total)	769	608	542
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4030	Federal sources		–2	–2
Additional offsets against gross budget authority only:				
4050	Change in uncollected pymts, Fed sources, unexpired	–1		
4070	Budget authority, net (discretionary)	563	577	637
4080	Outlays, net (discretionary)	769	606	540
4180	Budget authority, net (total)	563	577	637
4190	Outlays, net (total)	769	606	540

Research and Statistics:

Research, development, and dissemination.—Funds support a diverse portfolio of investigator-led research and development, evaluation studies, research and development centers, and dissemination activities that provide parents, teachers, and schools with evidence-based information on effective educational practices. Funds requested in 2015 would be used to sustain and expand research and evaluation efforts on topics in early childhood, elementary, secondary, and postsecondary education.

Statistics.—Funds support the Department's statistical data collection activities, which are conducted by the National Center for Education Statistics (NCES). NCES collects, analyzes, and disseminates education statistics at all levels, from preschool through postsecondary and adult education, including statistics on international education activities. The 2015 request would allow NCES to continue its on-going portfolio of activities, including collecting and reporting information on sub-baccalaureate education and training for adults, as well as to obtain State-level Program for International Student Assessment (PISA) data for a sample of States and to collect student-level administrative National Postsecondary Student Aid Survey (NPSAS) data every two years, providing more timely information on educational costs, financial aid, enrollment, and student progress.

Regional educational laboratories.—Funds support a network of 10 regional laboratories that provide expert advice, including training and technical assistance, to help States and school districts apply proven research findings in their school improvement efforts.

Assessment.—Funds support the National Assessment of Educational Progress (NAEP) and the National Assessment Governing Board (NAGB). NAEP administers assessments to samples of students in order to gather reliable information about educational attainment in important academic areas. NAGB is responsible for formulating NAEP policy; developing student achievement levels; and selecting, consistent with the requirements of the statute, the subjects to be assessed. The request for 2015 would provide support for conducting reading, mathematics, and science assessments at grades 4, 8, and 12.

Research in special education.—Funds support research to address gaps in scientific knowledge in order to improve special education and early intervention services and results for infants, toddlers, and children with disabilities.

Statewide data systems.—Funds support competitive grant awards to States to foster the design, development, and implementation of longitudinal data systems. In 2015, funding would support linking K-12 systems to systems that include early childhood, postsecondary, and workforce information, or further developing such systems. In addition, funds would support awards

INSTITUTE OF EDUCATION SCIENCES—Continued

to public and private agencies to improve data coordination, quality, and use at the local, State, and national levels.

Special education studies and evaluations.—Funds support studies, evaluations, and assessments related to the implementation of the Individuals with Disabilities Education Act in order to improve special education and early intervention services and results for infants, toddlers, and children with disabilities.

Object Classification (in millions of dollars)

Identification code 91–1100–0–1–503	2013 actual	2014 est.	2015 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	1	1	1
11.3 Other than full-time permanent	1	1	1
11.9 Total personnel compensation	2	2	2
12.1 Civilian personnel benefits	1		
25.1 Advisory and assistance services	16	18	19
25.2 Other services from non-Federal sources	247	250	247
25.3 Other goods and services from Federal sources	2	2	2
25.5 Research and development contracts	89	104	92
25.7 Operation and maintenance of equipment	1	1	1
41.0 Grants, subsidies, and contributions	237	241	272
99.0 Direct obligations	595	618	635
99.0 Reimbursable obligations	1	1	1
99.5 Below reporting threshold		1	1
99.9 Total new obligations	596	620	637

Employment Summary

Identification code 91–1100–0–1–503	2013 actual	2014 est.	2015 est.
1001 Direct civilian full-time equivalent employment	13	15	15

DEPARTMENTAL MANAGEMENT

Federal Funds

DEPARTMENTAL MANAGEMENT

PROGRAM ADMINISTRATION

For carrying out, to the extent not otherwise provided, the Department of Education Organization Act, including rental of conference rooms in the District of Columbia and hire of three passenger motor vehicles, **[\$422,917,000] \$442,000,000**, of which up to **[\$1,000,000] \$1,513,000**, to remain available until expended, shall be for relocation of, and renovation of buildings occupied by, Department staff. (*Department of Education Appropriations Act, 2014.*)

Special and Trust Fund Receipts (in millions of dollars)

Identification code 91–0800–0–1–503	2013 actual	2014 est.	2015 est.
0100 Balance, start of year			1
Receipts:			
0220 Contributions	1	1	1
0400 Total: Balances and collections	1	1	2
Appropriations:			
0500 Program Administration	–1		
0799 Balance, end of year		1	2

Program and Financing (in millions of dollars)

Identification code 91–0800–0–1–503	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0001 Program administration	433	422	440
0801 Reimbursable program	3	4	5
0900 Total new obligations	436	426	445

Budgetary Resources:

Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	11	15	15
1021 Recoveries of prior year unpaid obligations	5		
1050 Unobligated balance (total)	16	15	15
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	446	423	442
1121 Appropriations transferred from other accts [91–0202]	8		
1130 Appropriations permanently reduced	–23		
1160 Appropriation, discretionary (total)	431	423	442
Appropriations, mandatory:			
1201 Appropriation (special or trust fund)	1		
1260 Appropriations, mandatory (total)	1		
Spending authority from offsetting collections, discretionary:			
1700 Collected	3	3	3
1750 Spending auth from offsetting collections, disc (total)	3	3	3
1900 Budget authority (total)	435	426	445
1930 Total budgetary resources available	451	441	460
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	15	15	15
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	132	133	113
3010 Obligations incurred, unexpired accounts	436	426	445
3011 Obligations incurred, expired accounts	2		
3020 Outlays (gross)	–428	–446	–439
3040 Recoveries of prior year unpaid obligations, unexpired	–5		
3041 Recoveries of prior year unpaid obligations, expired	–4		
3050 Unpaid obligations, end of year	133	113	119
Uncollected payments:			
3060 Uncollected pymts, Fed sources, brought forward, Oct 1	–1	–1	–1
3090 Uncollected pymts, Fed sources, end of year	–1	–1	–1
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	131	132	112
3200 Obligated balance, end of year	132	112	118

Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross	434	426	445
Outlays, gross:			
4010 Outlays from new discretionary authority	339	341	352
4011 Outlays from discretionary balances	88	105	87
4020 Outlays, gross (total)	427	446	439
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources	–3	–3	–3
Mandatory:			
4090 Budget authority, gross	1		
Outlays, gross:			
4101 Outlays from mandatory balances	1		
4180 Budget authority, net (total)	432	423	442
4190 Outlays, net (total)	425	443	436

The Program Administration account includes the direct Federal costs of providing grants and administering elementary and secondary education; Indian education; English language acquisition; higher education; career, technical, and adult education; special education programs; and programs for persons with disabilities. It also supports assessment, statistics, and research activities.

In addition, this account includes the cost of providing centralized support and administrative services, overall policy development, and strategic planning for the Department. Included in the centralized activities are rent and mail services; telecommunications; contractual services; financial management and accounting, including payments to schools, education agencies and other grant recipients, and preparation of auditable financial statements; information technology services; personnel management; personnel security; budget formulation and execution; legal services; congressional and public relations; and intergovernmental affairs.

Included in this account is the Department of Education's cost to relocate staff and renovate buildings occupied by Department staff.

Also included in this account are contributions from the public. Activities supported include receptions for Blue Ribbon Schools and Historically Black Colleges and Universities. Contributions not designated for a specific purpose are in the account's Gifts and Bequests Miscellaneous Fund.

Reimbursable program.—Reimbursements to this account are for providing administrative services to other agencies.

Object Classification (in millions of dollars)

Identification code 91-0800-0-1-503	2013 actual	2014 est.	2015 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	188	201	203
11.3 Other than full-time permanent	25	12	13
11.5 Other personnel compensation	2	3	3
11.9 Total personnel compensation	215	216	219
12.1 Civilian personnel benefits	61	63	66
21.0 Travel and transportation of persons	3	4	4
23.1 Rental payments to GSA	42	42	41
23.3 Communications, utilities, and miscellaneous charges	1	1	1
24.0 Printing and reproduction	1	1	1
25.1 Advisory and assistance services	3	1	1
25.2 Other services from non-Federal sources	17	18	20
25.3 Other goods and services from Federal sources	16	22	22
25.7 Operation and maintenance of equipment	69	52	62
26.0 Supplies and materials	1	1	.....
31.0 Equipment	2	.....	1
32.0 Land and structures	2	1	2
99.0 Direct obligations	433	422	440
99.0 Reimbursable obligations	3	4	5
99.9 Total new obligations	436	426	445

Employment Summary

Identification code 91-0800-0-1-503	2013 actual	2014 est.	2015 est.
1001 Direct civilian full-time equivalent employment	1,942	1,934	1,945

OFFICE FOR CIVIL RIGHTS

For expenses necessary for the Office for Civil Rights, as authorized by section 203 of the Department of Education Organization Act, **[\$98,356,000] \$102,000,000.** (*Department of Education Appropriations Act, 2014.*)

Program and Financing (in millions of dollars)

Identification code 91-0700-0-1-751	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0001 Civil rights	98	98	102
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	.....	1	1
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	103	98	102
1121 Appropriations transferred from other accts [91-0202]	1	.....	.....
1130 Appropriations permanently reduced	-5	.....	.....
1160 Appropriation, discretionary (total)	99	98	102
1930 Total budgetary resources available	99	99	103
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	1	1	1
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	17	16	17
3010 Obligations incurred, unexpired accounts	98	98	102
3020 Outlays (gross)	-99	-97	-99
3050 Unpaid obligations, end of year	16	17	20

Memorandum (non-add) entries:

3100 Obligated balance, start of year	17	16	17
3200 Obligated balance, end of year	16	17	20

Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross	99	98	102
Outlays, gross:			
4010 Outlays from new discretionary authority	87	84	87
4011 Outlays from discretionary balances	12	13	12
4020 Outlays, gross (total)	99	97	99
4180 Budget authority, net (total)	99	98	102
4190 Outlays, net (total)	99	97	99

The Office for Civil Rights is responsible for ensuring that no person is unlawfully discriminated against on the basis of race, color, national origin, sex, disability, or age in the delivery of services or the provision of benefits in programs or activities of schools and institutions receiving financial assistance from the Department of Education. The authorities under which the Office for Civil Rights operates are Title VI of the Civil Rights Act of 1964 (racial and ethnic discrimination), Title IX of the Education Amendments of 1972 (sex discrimination), section 504 of the Rehabilitation Act of 1973 (discrimination against individuals with a disability), the Age Discrimination Act of 1975, the Americans with Disabilities Act of 1990, and the Boy Scouts of America Equal Access Act of 2002.

Object Classification (in millions of dollars)

Identification code 91-0700-0-1-751	2013 actual	2014 est.	2015 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	56	57	57
11.3 Other than full-time permanent	3	2	2
11.5 Other personnel compensation	1	1	.....
11.9 Total personnel compensation	60	60	59
12.1 Civilian personnel benefits	17	17	18
21.0 Travel and transportation of persons .....	.....	1	1
23.1 Rental payments to GSA	8	8	8
25.2 Other services from non-Federal sources	1	1	1
25.3 Other goods and services from Federal sources	2	2	3
25.7 Operation and maintenance of equipment	10	9	12
99.9 Total new obligations	98	98	102

Employment Summary

Identification code 91-0700-0-1-751	2013 actual	2014 est.	2015 est.
1001 Direct civilian full-time equivalent employment	565	558	558

OFFICE OF INSPECTOR GENERAL

For expenses necessary for the Office of Inspector General, as authorized by section 212 of the Department of Education Organization Act, **[\$57,791,000] \$59,181,000.** (*Department of Education Appropriations Act, 2014.*)

Program and Financing (in millions of dollars)

Identification code 91-1400-0-1-751	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0001 Inspector General	58	58	59
Budgetary Resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	60	58	59
1121 Appropriations transferred from other accts [91-0202]	1	.....	.....
1130 Appropriations permanently reduced	-3	.....	.....
1160 Appropriation, discretionary (total)	58	58	59
1930 Total budgetary resources available	58	58	59

OFFICE OF INSPECTOR GENERAL—Continued
Program and Financing—Continued

Identification code 91–1400–0–1–751	2013 actual	2014 est.	2015 est.
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	12	11	14
3010 Obligations incurred, unexpired accounts	58	58	59
3011 Obligations incurred, expired accounts	1		
3020 Outlays (gross)	–59	–55	–58
3041 Recoveries of prior year unpaid obligations, expired	–1		
3050 Unpaid obligations, end of year	11	14	15
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	12	11	14
3200 Obligated balance, end of year	11	14	15
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	58	58	59
Outlays, gross:			
4010 Outlays from new discretionary authority	49	47	48
4011 Outlays from discretionary balances	10	8	10
4020 Outlays, gross (total)	59	55	58
4180 Budget authority, net (total)	58	58	59
4190 Outlays, net (total)	59	55	58

The Inspector General is responsible for the quality, coverage, and coordination of audit and investigation functions relating to Federal education activities. The Inspector General has the authority to inquire into all activities of the Department, including those performed under Federal education contracts, grants, or other agreements. Under the Chief Financial Officers Act of 1990, the Inspector General is also responsible for internal reviews of the Department's financial systems and audits of its financial statements.

Object Classification (in millions of dollars)

Identification code 91–1400–0–1–751	2013 actual	2014 est.	2015 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	26	28	28
11.3 Other than full-time permanent	1	2	1
11.9 Total personnel compensation	27	30	29
12.1 Civilian personnel benefits	10	10	11
21.0 Travel and transportation of persons	2	2	2
23.1 Rental payments to GSA	5	6	6
25.1 Advisory and assistance services	1	1	1
25.2 Other services from non-Federal sources	4	2	2
25.3 Other goods and services from Federal sources	2	2	2
25.7 Operation and maintenance of equipment	5	4	4
31.0 Equipment	1	1	1
32.0 Land and structures	1		1
99.9 Total new obligations	58	58	59

Employment Summary

Identification code 91–1400–0–1–751	2013 actual	2014 est.	2015 est.
1001 Direct civilian full-time equivalent employment	270	253	251

HURRICANE EDUCATION RECOVERY
Federal Funds

HURRICANE EDUCATION RECOVERY

Program and Financing (in millions of dollars)

Identification code 91–0013–0–1–500	2013 actual	2014 est.	2015 est.
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	9	3	

3020 Outlays (gross)	–6	–3	
3050 Unpaid obligations, end of year	3		
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	9	3	
3200 Obligated balance, end of year	3		

Budget authority and outlays, net:

Discretionary:			
Outlays, gross:			
4011 Outlays from discretionary balances	6	3	
4190 Outlays, net (total)	6	3	

Amounts in this schedule reflect balances that are spending out from prior-year appropriations.

GENERAL FUND RECEIPT ACCOUNTS

(in millions of dollars)

	2013 actual	2014 est.	2015 est.
Offsetting receipts from the public:			
91–143500 General Fund Proprietary Interest Receipts, not Otherwise Classified	2	20	20
91–271810 Federal Family Education Loan Program, Negative Subsidies		4,020	
91–271830 Federal Family Education Loan Program, Downward Reestimates of Subsidies	9,946	3,925	
91–274130 College Housing and Academic Facilities Loan, Downward Reestimates of Subsidies	198	39	
91–278110 Federal Direct Student Loan Program, Negative Subsidies	27,010	21,292	14,309
Legislative proposal, subject to PAYGO			–397
91–278130 Federal Direct Student Loan Program, Downward Reestimates of Subsidies	11,426	9,460	
91–278310 Federal Perkins Loan, Negative Subsidies			395
91–279430 TEACH Grant Program, Downward Reestimates of Subsidies	17	13	
91–291500 Repayment of Loans, Capital Contributions, Higher Education Activities	37	25	25
91–322000 All Other General Fund Proprietary Receipts Including Budget Clearing Accounts	–3	47	47
General Fund Offsetting receipts from the public	48,633	38,841	14,399
Intragovernmental payments:			
91–388500 Undistributed Intragovernmental Payments and Receivables from Cancelled Accounts	83		
General Fund Intragovernmental payments	83		

GENERAL PROVISIONS

GENERAL PROVISIONS

SEC. 301. No funds appropriated in this Act may be used for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to overcome racial imbalance in any school or school system, or for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to carry out a plan of racial desegregation of any school or school system.

SEC. 302. None of the funds contained in this Act shall be used to require, directly or indirectly, the transportation of any student to a school other than the school which is nearest the student's home, except for a student requiring special education, to the school offering such special education, in order to comply with title VI of the Civil Rights Act of 1964. For the purpose of this section an indirect requirement of transportation of students includes the transportation of students to carry out a plan involving the reorganization of the grade structure of schools, the pairing of schools, or the clustering of schools, or any combination of grade restructuring, pairing, or clustering. The prohibition described in this section does not include the establishment of magnet schools.

SEC. 303. No funds appropriated in this Act may be used to prevent the implementation of programs of voluntary prayer and meditation in the public schools.

(TRANSFER OF FUNDS)

SEC. 304. Not to exceed 1 percent of any discretionary funds (pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985) which

are appropriated for the Department of Education in this Act may be transferred between appropriations, but no such appropriation shall be increased by more than 3 percent by any such transfer: *Provided*, That the transfer authority granted by this section shall not be used to create any new program or to fund any project or activity for which no funds are provided in this Act: *Provided further*, That the Committees on Appropriations of the House of Representatives and the Senate are notified at least 15 days in advance of any transfer.

SEC. 305. The Outlying Areas may consolidate funds received under this Act, pursuant to 48 U.S.C. 1469a, under part A of title V of the ESEA.

SEC. 306. Section 105(f)(1)(B)(ix) of the Compact of Free Association Amendments Act of 2003 (48 U.S.C. 1921d(f)(1)(B)(ix)) shall be applied by substituting "[2014]" "2015" for "2009".

SEC. 307. (a) Section 206 of the Department of Education Organization Act (20 U.S.C. 3416) is amended—

(1) by striking out the heading and inserting "Office of Career, Technical, and Adult Education";

(2) by striking out "Office of Vocational and Adult Education" and inserting "Office of Career, Technical, and Adult Education";

(3) by striking out "Assistant Secretary for Vocational and Adult Education" and inserting "Assistant Secretary for Career, Technical, and Adult Education"; and

(4) by striking out "vocational and adult education" each place it appears and inserting "career, technical, and adult education".

(b) Section 202 of the Department of Education Organization Act (20 U.S.C. 3412) is amended—

(1) in subsection (b)(1)(C), by striking out "Assistant Secretary for Vocational and Adult Education" and inserting "Assistant Secretary for Career, Technical, and Adult Education"; and

(2) in subsection (h), by striking out "Assistant Secretary for Vocational and Adult Education" each place it appears and inserting "Assistant Secretary for Career, Technical, and Adult Education".

(c) Section 1 of the Department of Education Organization Act (20 U.S.C. 3401 note) is amended by striking out the entry for section 206 and inserting "Sec. 206. Office of Career, Technical, and Adult Education."

(d) Section 114(b)(1) of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2324(b)(1)) is amended by striking out "Office of Vocational and Adult Education" and inserting "Office of Career, Technical, and Adult Education".

SEC. [308]307. The Secretary may reserve funds under section 9601 of the ESEA (subject to the limitations in subsections (b) and (c) of that section) in order to carry out activities authorized under that section with respect to any ESEA program funded in this Act and without respect to the source of funds for those activities: *Provided*, That any funds reserved under this section shall be available from July 1, [2014] 2015, through September 30, [2015] 2016: *Provided further*, That not later than 10 days prior to the initial obligation of funds reserved under this section,

the Secretary shall submit an evaluation plan to the Senate Committees on Appropriations and Health, Education, Labor, and Pensions and the House Committees on Appropriations and Education and the Workforce which identifies the source and amount of funds reserved under this section, the impact on program grantees if funds are withheld, and the programs to be evaluated with such funds.

SEC. 309. (a) CONSOLIDATIONS.—For fiscal year 2006 and each succeeding fiscal year, if a local educational agency described in subsection (b) is formed at any time after 1938 by the consolidation of 2 or more former school districts, the local educational agency may elect to have the Secretary determine its eligibility for any fiscal year on the basis of 1 or more of those former districts, as designated by the local educational agency.

(b) ELIGIBLE LOCAL EDUCATIONAL AGENCIES.—A local educational agency referred to in subsection (a) is—

(1) any local educational agency that, for fiscal year 1994 or any preceding fiscal year, applied, and was determined to be eligible under, section 2(c) of the Act of September 30, 1950 (Public Law 874, 81st Congress) as that section was in effect for that fiscal year; or

(2) a local educational agency formed by the consolidation of 2 or more districts, at least 1 of which was eligible for assistance under this section for the fiscal year preceding the year of the consolidation, if—

(A) for fiscal years 2006 through 2013 the local educational agency notified the Secretary not later than 30 days after the date of enactment of this Act; and

(B) for fiscal year 2014 the local educational agency includes the designation in its application under section 8005 or any timely amendment to such application.

(c) AMOUNT.—A local educational agency eligible under subsection (b) shall receive a foundation payment as provided for under subparagraphs (A) and (B) of subsection (h)(1), as in effect on the date of enactment of this Act, except that the foundation payment shall be calculated based on the most recent payment received by the local educational agency based on its former common status.

SEC. [310]308. The Secretary of Education shall—

(1) modify the Free Application for Federal Student Aid described in section 483 of the HEA so that the Free Application for Federal Student Aid contains an individual box for the purpose of identifying students who are foster youth or were in the foster care system; and

(2) utilize such identification as a tool to notify students who are foster youth or were in the foster care system of their potential eligibility for Federal student aid, including postsecondary education programs through the John H. Chafee Foster Care Independence Program and any other Federal programs under which such students may be eligible to receive assistance.

[This title may be cited as the "Department of Education Appropriations Act, 2014".]

(Department of Education Appropriations Act, 2014.)

